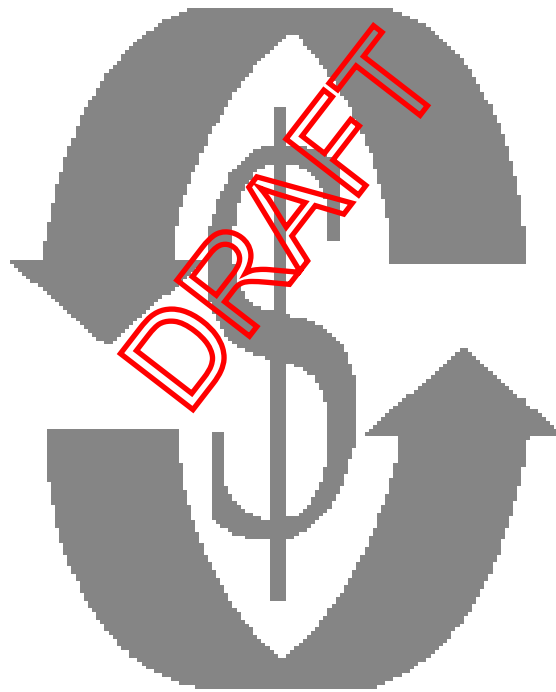


INTENDED USE PLAN
DRINKING WATER STATE REVOLVING FUND
LOAN PROGRAM
AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009



Prepared by the
Tennessee Department of Environment and Conservation
State Revolving Fund Loan Program

DWSRF Loan Program ARRA Intended Use Plan for FY 2009

INTRODUCTION

On February 16, 2009 the President signed the American Recovery and Reinvestment Act (ARRA) of 2009. The goal of the ARRA is to provide assistance to water systems for capital improvements which will proceed quickly to construction, creating jobs, and furthering the public health protection objectives of the Safe Drinking Water Act (SDWA). This Intended Use Plan (IUP) will address the requirements of the ARRA.

The State intends to award all assistance available under the ARRA Capitalization Grant in full compliance with the deadlines established under the ARRA and the terms and conditions of the capitalization grant award.

The State recognizes that the goal of the ARRA is to expeditiously fund eligible projects that simultaneously will create jobs, promote economic recovery, and generate long-term benefits from infrastructure investment. In this grant, the State is being called upon to accomplish goals that may not previously have been priorities in its base SRF program. Some priorities and activities in the State's base program that may not practically be attainable within the timeframes associated with the ARRA will be pursued using funds made available through the base DWSRF program.

In addition, ARRA section 1602 requires that "recipients shall give preference to activities that can be started and completed expeditiously, including a goal of using at least 50 percent of the funds for activities that can be initiated not later than 120 days after ... enactment" of the ARRA. The State intends to implement this preference requirement by selecting for first ARRA funding from among the projects with the priority determined above, those projects that, as far as it's possible to determine, appear most likely to be able to start construction before February 17, 2010.

The Safe Drinking Water Act (SDWA) Amendments of 1996 (Public Law 104-182) were enacted into law on August 6, 1996. Congress added Section 1452 to the SDWA authorizing the Administrator of the U. S. Environmental Protection Agency (EPA) to establish a Drinking Water State Revolving Fund (DWSRF) Loan Program to further the health objectives of the SDWA.

Section 1452(b) requires each state to annually prepare an Intended Use Plan (IUP) identifying the use of funds in the DWSRF Loan Program and describing how those uses support the goal of protecting public health and the environment. The following information must be included in the IUP to meet the requirements of the SDWA:

- Priority Ranking List of proposed loan projects including project description and size of community
- Description of criteria and method used for distribution of funds under ARRA
- Description and amount of the set-aside activities that will be funded from the DWSRF Loan Program ARRA Capitalization Grant
- Description of the financial status of the DWSRF Loan Program
- Description of the short- and long-term goals of the ARRA DWSRF Loan Program

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The IUP serves as the planning document for explaining how the fiscal year (FY) 2009 appropriations for the ARRA funds will be used by DWSRF Loan Program. The State of Tennessee's (State) allotment of the FY 2009 federal appropriation (ARRA) for the DWSRF Loan Program is approximately \$20,238,000. The funds appropriated herein shall not be subject to the matching requirements of Section 1452(e) of the Safe Drinking Water Act. The IUP will describe the intended uses of the project loan funds, Green Project Reserve, project subsidization and the set-aside or non-project funds allowed under Sections 1452(g)(2) of the SDWA. The ARRA Grant minus set-aside funds will provide approximately \$16,999,920 in subsidization and project loan funds. Of that amount, 15 percent or approximately \$3,035,700, is required by Section 1452(a)(2) to provide loan assistance to systems serving fewer than 10,000 persons to the extent that there are a sufficient number of eligible projects to fund. Tennessee's DWSRF Loan Program does not have a separate loan program for disadvantaged communities.

List of Projects

The ARRA guidance requires that the IUP for the ARRA contain a list of publicly owned treatment works projects on the State's priority list (PPL), developed pursuant to Section 1452(b) of the SDWA that are eligible for SRF construction assistance. This list must include: the name of the community; population, the type of financial assistance, and; the projected amount of eligible assistance. In addition, the IUP must contain a description of the intended uses of the 50% additional subsidization reserve and the 20% requirement for "green infrastructure" projects. The list included in the IUP must contain eligible projects for which the total cost of assistance requested is at least equal to the amount of the grant being applied for before a grant can be awarded

Additionally, the ARRA IUP must contain a description of the financial status of the State loan fund including sources and uses; contemplated loan terms and interest rates; the short-term and long-term goals of the State loan fund; a description of the means by which the State will choose those projects that are ready to proceed to construction; and a declaration that the State has or will have by a date certain the authority to provide a form or forms of additional subsidization required to be provided for 50% of the amount of the grant, and has a process and appropriate criteria which it will use to determine how it will provide this assistance to applicants.

Priority for ARRA funds shall be given to projects on the DWSRF Priority List that are ready to proceed to construction within 12 months of the date of enactment of the ARRA

Project By-Passing Procedures

Communities that do not respond with a completed application or cannot meet the conditions set forth in the ARRA will be bypassed in order to fund the next highest-ranking projects that are ready to proceed and comply with the ARRA.

INTEREST RATES AND AFFORDABILITY CRITERIA

The interest rate will be based on the community's ATPI. The rate will be zero to 100 percent of the interest rate reported on 20-year general obligation bonds published every Thursday in the Bond Buyers Index. Those communities that fall within the lower economic scale of the index

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will be eligible for a lower interest rate. The interest rates for utility districts and water/wastewater authorities that have service areas in more than one county will be determined by utilizing the lowest Ability To Pay Index of the county or city that will directly benefit from the project(s) associated with the loan. The term of the loan will be a maximum of 20 years or the useful life of the project whichever is shorter.

The methodology for assigning priority points based on health risk and compliance are explained in the Drinking Water Priority System section of this IUP. The affordability criteria are used to prioritize projects that have the same number of points based on project need. Affordability criteria are based on the Ability-To-Pay Index (ATPI) established by the University of Tennessee Center for Business and Economic Research. Communities with greater economic need are given a higher ranking. The allocation formula uses a broad definition of fiscal capacity that includes per capita property tax base and per capita sales. The intent is to measure fiscal capacity in terms of the available resources for paying for services.

DESCRIPTION OF PROJECTS IN THE FY 2009/2010 FUNDING ZONE

DWSRF Loan Program projects will be funded on a readiness to proceed and in the order based on the highest number of priority points as listed on the FY 2009/2010 project Priority Ranking List (PRL). Using the project cost estimates on the FY 2009/2010 DWSRF Loan Program PRL, 15 percent of the available loan funds will be set aside for communities with a population of 10,000 or less. Project funding will be limited to \$5 million per loan from the FY 2009 ARRA Grant.

Project Fund Solicitation Procedures

- Traditional project funding solicitation letters totaling up to \$34 million dollars will be mailed to communities based on their priority rank from the priority ranking lists no later than April 3, 2009.
- Green project funding solicitation letters totaling up to \$8 million dollars will be mailed to communities based on their priority rank from the priority ranking lists no later than April 3, 2009.
- Preference will be given to traditional projects that are ready to start construction or sign a construction contract by June 17, 2009, up to \$34 million dollars (50% of the Traditional ARRA project fund) worth of projects.
- Preference will be given to green projects that are ready to start construction or sign a construction contract by June 17, 2009, up to \$4 million dollars (50% of the Green ARRA project fund) worth of projects.
- Additional priority will be given to traditional projects that have a minimum of 10% green component.
- Projects that do not meet the cut-off date of June 17, 2009, will be funded based on their readiness to proceed (Submitted: IER Documentation, Three-Year Audited Financial Statements, Current Water/Sewer Rate Resolution, Planning Document, Completed Loan

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Application Documents). If sufficient progress is not made in meeting the ARRA construction guidelines, the SRFLP may by-pass a project in order to allocate funds to the next eligible project from the PRL.

- If sufficient numbers of projects are not received to obligate the total ARRA fund, the next group of communities according to their priority ranking will be notified in order to allocate the remaining ARRA funds.
- Any ARRA funding that is left will be allocated based on the above criteria for the remainder of the projects that appear on the PRL until all ARRA funds are obligated.

The DWSRF Priority List contains information detailing the name of the projects to be funded and the related assigned points, description, expected terms of financial assistance and population of the system's service area.

The attachments include the DWSRF Priority Ranking List, the proposed binding commitment schedule over eight (8) quarters for FY 2009/2010, the DWSRF quarterly ASAP Schedule identifying the anticipated amount of federal dollars to be deposited into the DWSRF over eight (8) quarters, the DWSRF Quarterly Disbursement Schedule projecting the transfer of cash from the Drinking Water SRF Loan Program to the loan recipients over ten (10) quarters, Sources and Uses of DWSRF Funds, and Public Meeting Notice for FY 2009 ARRA IUP.

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) REQUIREMENTS

All funds appropriated under the ARRA must be not only committed to projects through binding commitments or executed loan agreements, but are further committed to contracts for construction by the assistance recipient, or construction has commenced. In order to meet the requirements of the ARRA, all funds must be committed to eligible projects within 12 months of the date of enactment. Furthermore, every assistance recipient must provide a signed certification that contracts have been signed in an amount equal to the full value of the signed assistance agreement within 12 months of the date of enactment (February 17, 2010), and if applicable, that construction has commenced.

The ARRA states that the EPA Administrator shall reallocate funds appropriated for the Drinking Water State Revolving Funds that are not under contract or construction within 12 months of the date of enactment of the ARRA.

The ARRA includes a number of new crosscutting requirements that will apply to projects funded in part or in whole with funds made available by this Act. A list of crosscutting requirements will be incorporated into the DWSRF Loan Agreements.

New Requirements under ARRA

Davis-Bacon

Section 1606 of the ARRA contains the following language: Notwithstanding any other provision of law and in a manner consistent with other provisions in this Act, all laborers and mechanics employed by contractors and sub contractors on projects funded directly by or assisted

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in whole or in part by and through the Federal Government pursuant to this Act shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code. With respect to the labor standards specified in this section, the Secretary of Labor shall have the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (64 Stat. 1267; 5 U.S.C.App.) and section 3145 of title 40, United States Code.

The purpose of this language is to apply Davis-Bacon Act wage rules to all assistance agreements made in whole or in part with funds appropriated under the ARRA. The Department of Labor provides all pertinent information related to compliance with labor standards, including prevailing wage rates and instructions for reporting. The DWSRF Loan recipients will be required to comply with the Davis-Bacon Act wage rules to all contracts funded with ARRA funds.

American Iron, Steel, and Manufactured Goods

Section 1605 of the ARRA requires that none of the appropriated funds may be used for the construction, alteration, maintenance, or repair of a public building or public work unless all of the iron, steel, and manufactured goods used in the project is produced in the United States unless a waiver is provided to the recipient by EPA. In order to receive a waiver, the State must send a written request to the Administrator. A decision will be made based on the following criteria:

- a. The requirement is inconsistent with the public interest for purposes of the project, for which a waiver has been requested.
- b. Iron, steel, and necessary manufactured goods are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality, and
- c. Inclusion of iron, steel, and manufactured goods produced in the United States will increase the overall cost of the project by more than 25 percent.

If a waiver is granted by the Administrator, EPA will publish such waiver, with a sufficient explanation, in the Federal Register. The DWSRF Loan recipients will be required to comply with the American Iron, Steel and Manufactured Goods in accordance with the provisions of the ARRA.

Reporting

States will be required to report no less than monthly on the uses of funds provided by the Recovery Act. The Drinking Water Project Tracking System will be used to gather information regarding key project characteristics and milestones. The purpose of these requirements is to ensure Agency compliance with the requirements to track data through Recovery.gov. All projects funded with ARRA funds will be entered into the Drinking Water Project Tracking System as required by the ARRA Grant Agreement.

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State Match

The ARRA contains the following language:

“Provided further, That the funds appropriated herein shall not be subject to the matching or cost share requirements of section 1452(e) of the Safe Drinking Water Act”

This language waives the requirements of Section 1452(e) of the Safe Drinking Water Act to provide state match for the capitalization grant.

Attorney General’s Opinion Requirement

The ARRA waives the Attorney General’s Opinion, as required in 40 CFR 35.3110(d)(2).

Cash Draws

Due to requirements for expedited spending of Recovery Act funds and increased oversight, EPA requires that all cash draws for projects funded by ARRA be drawn from the grant award made available by the ARRA.

Governor’s Certification

In accordance with Section 1607 (a), the State will provide a Certification by the Governor stating that the State will request and use funds provide by ARRA and the funds will be used to create jobs and promote economic growth.

Project Certification

The loan recipient’s responsible official, mayor or other chief executive, as appropriate, shall certify that the infrastructure investment has received the full review and vetting required by law and that the chief executive accepts responsibility that the infrastructure investment is an appropriate use of taxpayers dollars. Such certification shall include a description of the investment, the estimated total cost, and the amount of covered funds to be used, and shall be posted on a website, if available. All DWSRF Loan recipients will be required to comply with

Legislation

Legislation has been introduced to the General Assembly that will enable the State to provide subsidized loans that will comply with the provisions in the ARRA.

Certification of Insufficient Applications

The ARRA requires that to the extent there are sufficient eligible project applications, not less than 20 percent of the funds appropriated herein for the Revolving Funds shall be for projects to address green infrastructure, water or energy efficiency improvements or other environmentally innovative activities. This provision requires the State to make a timely and concerted

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solicitation for projects, with the objective of determining no later than 120 days after enactment which qualifying green infrastructure projects it will amend its IUP to include. If, after 120 days, any portion of the 20% reserve remains unaccounted for in the IUP, the State must certify in writing to EPA that the State lacks sufficient, eligible applications for these types of projects prior to using funds for conventional projects.

ARRA PROGRAM IMPLEMENTATION

ACCELERATED CONTRACTS OR CONSTRUCTION

Deadline for Contracts or Construction

The ARRA contains the following:

“Provided further, That the Administrator shall reallocate funds appropriated herein for the Drinking Water State Revolving Funds (Revolving Funds) that are not under contract or construction within 12 months of the date of enactment of this Act”

The purpose of this language is to ensure that all funds appropriated under the ARRA are not only committed to projects through binding commitments or executed loan agreements, but are further committed to contracts for construction by the assistance recipient, or construction has commenced. In order to meet the requirements of the ARRA, all funds must be committed to eligible projects within 12 months of the date of enactment. Furthermore, every assistance recipient must provide a signed certification that contracts have been signed in an amount equal to the full value of the signed assistance agreement within 12 months of the date of enactment, and if applicable, that construction has commenced.

Re-allotment of Funds

The ARRA requires the Administrator to reallocate any funds that do not meet the required deadline for contracts or construction. In order to implement this provision, EPA will immediately de-obligate funds from awarded grants that have not been committed to construction contracts within 12 months of the date of enactment. EPA will rely on required reporting to determine if funds are not committed to projects and that are not under contracts or under construction.

MANAGEMENT OF ADDITIONAL SUBSIDIZATION RESERVES

The ARRA contains the following requirement:

“Provided further, That notwithstanding the requirements of section 1452(f) of the Safe Drinking Water Act, for the funds appropriated herein, each State shall use not less than 50 percent of the amount of its capitalization grants to provide additional subsidization to eligible recipients in the form of forgiveness of principal, negative interest loans, or grants, or any combination of these”

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Eligible Assistance Recipients

Any eligible recipient of assistance from a State Revolving Fund is eligible for additional subsidization.

Eligible Activities

Any activity eligible for assistance from a State Revolving Fund is eligible for additional subsidization.

Eligible Forms of Assistance

Principal Forgiveness

A State SRF may provide assistance in the form of principal forgiveness. Principal forgiveness must be granted at the execution of the loan agreement for the amount forgiven to be counted against the total required to be provided as additional subsidization. The amount counted against the requirement is the amount forgiven, regardless of the interest rate.

Negative-Interest Loans

A State SRF may provide assistance in the form of negative-interest loans. A negative-interest loan is a loan for which the rate of interest is such that the total payments over the life of the loan are less than the principal of the loan. The negative-interest rate must be included in the loan agreement at the time of execution to be counted against the total required to be provided as additional subsidization. The amount counted against the requirement is the difference between the principal of the loan and the total payments expected over the life of the loan.

The State has decided to use Principal Forgiveness to meet the 50 % requirement of the amount of its ARRA capitalization grant to provide additional subsidization to eligible recipients.

Grants

A State SRF may provide assistance in the form of a grant. The grant must be provided at the time of assistance agreement execution to be counted against the total required to be provided as additional subsidization. The amount counted against the requirement is the total grant amount included in the agreement.

The State has decided to use Principal Forgiveness to meet the 50 % requirement of the amount of its ARRA capitalization grant to provide additional subsidization to eligible recipients.

Calculation of Additional Subsidization Provided

Each State must calculate its use of additional subsidization in the manner described in Eligible Forms of Assistance above. By February 17, 2010, each State must have committed an amount

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equal to least 50% of the funds made available from the capitalization grant awarded to additional subsidization pursuant to the ARRA.

Projects will be funded 50% from the ARRA funds and 50% with DWSRF. The ARRA funds will be utilized as 80 % principal forgiveness and 20% loan; the other 50% of the project loan will be funded with the base DWSRF.

Laws, Regulations and Requirements for Assistance Agreements that are in the Form of Grants

The ARRA contains language that allows States to provide grants to eligible recipients. A listing of the Federal Laws and Executive Orders that apply to all EPA grants, including those authorized by the ARRA. These authorities apply to all projects funded in whole or in part by a grant authorized by the ARRA. Some of the authorities only apply to grants that include construction, e.g., EO 13202. A more detailed description of the Federal laws, Executive Orders, OMB Circulars and their implementing regulations is available through the OGD Grants Intranet website at <http://intranet.epa.gov/ogd/>.

The regulations at 40 CFR Part 31 applies to grants and cooperative agreements awarded to State and local (including tribal) governments. The regulations at 40 CFR Part 30 applies to grants with nonprofit organizations and with non-governmental for-profit entities. Note that the latter grants cannot be made with DWSRF funds except to eligible public water systems, because only certain public water systems are eligible recipients of DWSRF project assistance that can be provided under the ARRA.

OGD added a section to the Assistance Administration Manual 5700 outlining Agency policy on the award and management of subawards, *"Policy on Subawards Under Assistance Agreement"*. The policy applies to subaward work under awards and supplemental amendments issued after May 15, 2007. The policy clarifies subrecipient eligibility, addresses subaward competition requirements, and provides guidance regarding the distinctions between procurement contracts and subawards. It also includes special considerations regarding subawards to 501(c)(4) and for-profit organizations, and subawards to foreign/international organizations or any entity performing work in a foreign country. The policy is primarily implemented through an administrative National Term and Condition for Subawards. The subaward policy can be found at <http://intranet.epa.gov/rmpolicy/ads/updates.htm> (under Update 3).

MANAGEMENT OF GREEN INFRASTRUCTURE RESERVE

The ARRA contains the following requirement:

“Provided further, That, to the extent there are sufficient eligible project applications, not less than 20 percent of the funds appropriated herein for the Revolving Funds shall be for projects to address green infrastructure, water or energy efficiency improvements or other environmentally innovative activities”

To address this requirement, States should at the earliest possible time evaluate the projects included in their IUP to identify, on the basis of the information provided by EPA for DWSRF,

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which appear likely to qualify as green infrastructure projects for purposes of this requirement. If the projects in a State's IUP do not appear to contain qualifying projects or components of a total value to at least 20 percent of the ARRA capitalization grant to the State, then this provision requires the State to make a timely and concerted solicitation for projects, with the objective of determining as soon as possible which qualifying green infrastructure projects it will amend its IUP to include. If, after 180 days, any portion of the 20 percent green project reserve remains unaccounted for in the IUP, the State must certify in writing to EPA that the State lacks sufficient, eligible applications for these types of projects prior to using funds for conventional projects. In meeting this requirement, States can properly conclude assistance agreements for 80 percent of the funds available for projects at the earliest possible time. The FY 2009/2010 DWSRF Priority List contains sufficient number of Green Projects to meet the 20% requirement. If the projects on the State's DWSRF Priority List does not appear to contain qualifying projects or components with a total value equal to least 20% of the ARRA Capitalization Grant, the State will make timely and concerted solicitation for green projects for placement on the DWSRF Priority List.

DEOBLIGATION AND REALLOTMENT OF ARRA

De-obligation

The ARRA contains the following language:

“Provided further, That the Administrator shall reallocate funds appropriated herein for the Drinking Water State Revolving Funds (Revolving Funds) that are not under contract or construction within 12 months of the date of enactment of this Act”

The ARRA requires the Administrator to reallocate any funds that do not meet the required deadline for contracts or construction. In order to implement this provision, EPA will immediately de-obligate funds from awarded grants that have not been committed to construction contracts within 12 months of the date of enactment.

Re-allotment

In the event that funds appropriated by the ARRA are de-obligated as described under above, such funds will be re-allotted on the basis of the same ratio as was applicable to the initial allotment of funds, in accordance with SDWA §1452(a)(1)(E). None of the funds re-allotted shall be made available to any State, which was subject to re-allotment. Any sum made available to a State by re-allotment under this section shall be in addition to any funds otherwise allotted to such State for grants under this appropriation. Furthermore, in order to participate in the re-allotment of funds, a State must certify through an amendment to its IUP, that any additional funds will be committed to contracts for construction within 120 days of re-allotment. A State will only be eligible for re-allotment for an amount equal to the total value of projects that are certified as ready to proceed in the amended IUP, but no more than an amount determined by the allotment formula. The amendment to the IUP must contain a list of projects ready to receive binding commitments within 120 days of re-allotment.

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In order to effectively ascertain those States that will be able to participate in a potential re-allotment, States are urged to begin identifying additional projects that will be ready to proceed to construction within 120 days from the end of the 1-year period for initial contracting, as soon as possible. If EPA determines that re-allotment is likely at the end of the 1-year period, EPA will request that all States submit a certified list of projects that will ready to proceed to construction within 120 from the end of the 1-year period. The certified lists submitted by the States will be used to determine participation in a re-allotment of funds.

Description of the Financial Status of the DWSRF Loan Program

This table summarizes the sources and uses of the ARRA Grant.

Current DWSRF Unobligated Funds (includes FY 2008 principal and interest, FY 2008 EPA Capitalization Grant and 20% State Match)	\$ 26,985,000
FY 2009 ARRA Grant	\$ 20,238,000
Program Loans	\$ 3,399,984
Project Subsidization	\$ 13,599,936
Less: Set-asides	
4% Administration	\$ 809,520
10% Public Water Supply Supervision (PWSS)	\$ 2,023,800
2% Small System Technical Assistance	\$ 404,760
Total Uses of ARRA Funds	\$ 47,223,000

Short- and Long-Term Goals/Objectives

As required by the ARRA the States to identify the goals and objectives of its DWSRF Loan Program. The goals as described below are not presented in any priority order.

The State has the following long-term goals and objectives for the DWSRF Loan Program.

Goal 1: To preserve and create jobs and promote economic recovery.

Objective 1.A: To ensure the financial stability of loan recipients by reviewing the financial history, loan security, and proposed user rates of loan applicants

Objective 1.B: To ensure the use of accounting, audit, and fiscal procedures that conform with generally accepted government accounting standards

Objective 1.C: To obligate funds in a timely manner and provide technical and administrative assistance for efficient project management

Goal 2: Protect and enhance the water quality in Tennessee by ensuring the technical integrity of ARRA funded projects

Objective 2.A: To ensure adequate and effective project planning, design, and construction management

Objective 2.B: To maintain a priority ranking system and offer available funds to projects with the highest priority points that are ready to proceed

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In addition to these long-term goals, the State has the following short-term goals for the DWSRF Loan Program.

- Goal 3:** Complete and submit to EPA, ARRA Capitalization Grant application package
- Objective 3.A: To prepare and submit an annual Intended Use Plan (IUP) and prepare and submit, along with the IUP, an application for the ARRA Capitalization Grant
 - Objective 3.B: To actively promote and pursue all potential borrowers, which have needed eligible projects
 - Objective 3.C: To provide reports to EPA covering the accomplishments of the ARRA
- Goal 4:** Manage an effective and efficient the ARRA funds
- Objective 4.A: Enact enabling legislation to permit subsidization of the ARRA funds
 - Objective 4.B: To coordinate and work with the Comptroller of the Treasury to ensure the best financing alternative to local governments
- Goal 5:** Provide ARRA funds to meet the 20% Green Projects Reserve
- Objective 5.A: Solicit green projects for placement on the CWSRF Priority List
 - Objective 5.B: Evaluate potential green projects that appear to be likely qualify in whole or part for purposes of meeting the eligibility requirements

Description of Criteria and Method used for Distribution of Funds

The ARRA authorizes the states to provide funding other than loans for certain activities related to drinking water called set-asides. States are required to describe in their IUP the amount and intended use of these set-aside funds. The State may return all unused set-aside funds to the project loan fund. Set-asides may be used according to the ARRA for administering the loan fund, public water system supervision (PWSS), and Small Systems Technical Assistance. Funds can be set aside from the ARRA Grant for the activities listed in this section. Funds to delineate and assess source water protection areas were only available from the FY 1997 Capitalization Grant.

The State will determine uses of the ARRA Grant that provide for the long-term viability of the fund. The State proposes to use the FY 2009/2010 ARRA Capitalization Grant for the following activities to accomplish the objective of directing funding toward the most pressing compliance and public health protection needs. The State recognizes that the goal of the ARRA is to expeditiously fund eligible projects that simultaneously will create jobs, promote economic recovery, and generate long-term benefits from infrastructure investment. In this grant, the State is being called upon to accomplish goals that may not previously have been priorities in its base SRF program. Some priorities and activities in the State's base program that may not practically be attainable within the timeframes associated with the ARRA will be pursued using funds made available through the base Drinking Water State Revolving Fund Program (CWSRF).

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STATE SET-ASIDE ACTIVITIES

Department/ Division	Activity	Costs Related to:	Comments
4% Administration (FY 2009-\$809,520)			
TDEC/ DWS*/ SRF**	Loan program administration	Personnel, rent, travel, supplies, training	Funds will be used to administer the ARRA funds.
10% State Program PWSS (FY2009--\$2,023,800)			
TDEC/ DWS*	Sanitary Surveys, investigation, publications, laboratory support	Personnel, rent, travel, supplies, training	Funds will be used to maintain jobs and to protect the public health.
2% Small System Technical Assistance (FY2009--\$404,760)			
TDEC/ OEA***/ FTC****	Regulatory compliance assistance to water systems serving less than 10,000 persons	Personnel, travel, and printing	Funds will be used to maintain jobs.
TDEC/ OEA***/ FTC****	Technical training to water systems serving less than 10,000 persons	Travel, equipment and supplies	Supplemental funding to existing training program.
*DWS—Division of Water Supply; **SRF—State Revolving Fund Loan Program; ***OEA—Office of Environmental Assistance; ****FTC—Fleming Training Center			

States are eligible to set aside 16 percent of the FY 2009/2010 ARRA Grant for local assistance and other state program activities.

Description of Set-Aside Activities

PUBLIC WATER SUPPLY SUPERVISION (PWSS)

According to provisions of 1452(g)(2) the State plans to set aside 10 percent (\$2,023,800) of the ARRA funds to be utilized for the following purposes:

- For public water system supervision programs under Section 1443(a)
- To administer or provide technical assistance through source water protection programs
- To develop and implement a capacity development strategy under Section 1420
- For an operator certification program for purposes of meeting the requirements of Section 1419 if the state matches the expenditures with at least an equal amount of state funds. At least half of the match must be in addition to the amount expended by the state for public water system supervision in FY1993.

The PWSS set-aside requires a dollar for dollar state match in addition to the 20 percent state match of the ARRA Capitalization Grant. At least one-half of the FY 2009/2010 state match funds provided by the State, plus any over match, must be in addition to the entire amount the State expended for the PWSS program in FY 1993 (see attached PWSS calculation).

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TDEC's Division of Water Supply (DWS) intends to use the set-aside money to conduct the following activities and purchase equipment and supplies.

- Review engineering plans
- Technical assistance visits
- Complaint investigations
- Construction inspections
- Community sanitary surveys
- Non-transient non-community surveys
- Transient non-community surveys
- Public hearings
- Public presentations
- Technical seminars

The State intends to take a set-aside of 10% for the PWSS which will be directed to retaining staff and guaranteeing 16 or more positions in the Division of Water Supply. These activities will be accomplished by the equivalent of 16 full-time employees. DWS would use the majority of the set-aside money to continue the existing level of activity rather than expand the public water system supervision level. Every effort would be made to incorporate the source water protection and capacity activities into the technical assistance provided to public water systems. In addition to continuing existing activities, DWS would propose to use set-aside money to continue addressing issues raised by the 1996 amendments to SDWA.

The PWSS program goals and objectives include such activities as sanitary surveys, construction inspections, complaint investigations, record keeping and evaluation of water quality data, and monitoring requirements for public water systems. The set-aside would also be used to pay for travel, rent, supplies, communications, printing, and laboratory support. Other services include dealing with problems associated with the managerial, technical, and financial capacity of public water systems. The PWSS program will evaluate its success in assisting public water supply systems to ensure their compliance with the SDWA. Results of the PWSS program will be provided in FY 2010 DWSRF Annual Report.

The State already overmatches sufficient federal money to qualify as meeting the matching requirements needed to be eligible for these set-aside funds. Any excess funds not expended can be returned to the ARRA DWSRF Loan Program project fund if not needed for the PWSS program.

The State plans to use a portion of the set-aside money from the DWSRF Loan Program to conduct public water system operator training activities. Training primarily is conducted at FTC. This money will be used to supplement the existing training program already in place. The state is in compliance with the SDWA, which requires the state to adopt and implement a plan for certifying operators of public water systems.

SMALL SYSTEM TECHNICAL ASSISTANCE

The State plans to set aside 2 percent of the funds available in the FY 2009 ARRA Grant for the Small System Set Aside in the amount of \$404,760 to provide technical assistance to public water systems serving 10,000 or less. These funds will preserve/retain the 10 positions at the

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Fleming Training Center. The Fleming Training Center (FTC) provides primarily three functions; (1) training of operators in the water and wastewater industry, (2) administering the State water and wastewater operator certification program, and (3) providing technical assistance to water and wastewater facilities/operators. A listing of the classes that are available at the FTC is attached.

In FY 2010, the goal of the instructors at the FTC will be to provide technical assistance to small water system operators to troubleshoot and calibrate equipment and safety around water treatment facilities to achieve and maintain compliance with the SDWA and protect the public. Training and continuing education will be accomplished through a wide variety of course offerings, seminars, and continuing education classes to small systems. Many of these courses offered in various locations across the state allowing greater access for operators. The four instructors at FTC can provide technical assistance to small systems through on-site visits to the water systems, technical bulletins or excerpts from trade journals, emails or by telephone.

Evaluations of the work accomplished will be done quarterly for training and technical assistance. Training evaluations are accomplished after each training class to determine the effectiveness of the instruction. Trip field reports after technical assistance is accomplished, as well as follow-ups visits, are completed to evaluate the effectiveness of the training and assistance. Results of the technical assistance provided in FY 2010 will be submitted in the DWSRF Annual Report.

Financial, Managerial, and Technical Capacity

The State is required under Section 1452(a) (3) of the SDWA to develop a process to assess the technical, financial, and managerial capacity of water systems before a loan can be awarded. State law was amended March 10, 1998, to give authority to the Tennessee Department of Environment and Conservation (TDEC) to require all new community water systems and new non-transient, non-community water systems commencing operation after October 1, 1999, to demonstrate technical, managerial, and financial capacity to comply with the national primary drinking water regulations and the provisions of the Tennessee Safe Drinking Water Act and the rules promulgated there under. The law was also amended to grant to TDEC the authority to develop a strategy to assist public water systems in acquiring and maintaining technical, managerial, and financial capacity. Regulations governing the Capacity Development Program in the State for new systems became effective on August 29, 1999. The state is in compliance with the SDWA Section 1420 (c) (3), which requires the state to assess the effectiveness of their strategy to ensure that public water systems providers have the technical, managerial and financial capacity to operate a public water system.

In addition to the strategy, the State has two boards that evaluate the technical, financial, and managerial capacity of water systems eligible for DWSRF loans. The Water and Wastewater Financing Board addresses cases involving county and municipal government water systems and water and wastewater authorities. The Utility Management Review Board addresses cases involving utility districts. Loan applicants in significant noncompliance will be required to demonstrate to the DWSRF Loan Program that the proposed DWSRF project will ensure compliance. The DWSRF Loan Program will assess the loan applicant's managerial, technical, and financial capacity that will allow TDEC to recommend the loan for approval to the Tennessee Local Development Authority Board.

DRINKING WATER PRIORITY SYSTEM

Applicants for ARRA's DWSRF Loan Program loan funding must submit a request for funding along with a project description, cost estimate and project justification. ARRA projects will be prioritized by projects readiness to proceed basis with emphasis given to projects with risk to human health and compliance with SDWA and meet the requirements of ARRA. Upon a request for funding, projects are evaluated and assigned from 20 points to 100 points depending on the health and compliance problems addressed by the project as noted in the attachments. Seven categories of projects have been established which should cover all types of drinking water projects.

These categories will include:

- Water quality problems
- Source or capacity
- Water storage
- Leakage problems
- Pressure problems
- Replacement or rehabilitation projects
- Water line extensions

Projects demonstrating the greatest risk to human health will receive the highest priority followed by projects addressing compliance problems and then projects addressing other needs and meet the requirements of the ARRA.

The DWSRF Loan Program may not provide assistance to any system that is in significant noncompliance with any national drinking water regulation or variance unless the State conducts a review and determines that the project will enable the system to return to compliance and the system will maintain an adequate level of technical, managerial and financial capability to maintain compliance.

Projects not eligible for funding are those primarily intended for the following:

- Future growth
- Economic development
- Fire protection

The following projects and activities are not eligible for funding:

- Dams
- Reservoirs
- Water rights
- Laboratory fees for monitoring
- Operation and maintenance expenses
- Purchase Land and/or Easements

Assurances and Specific Proposals

The State shall provide the necessary assurances and certifications described in the Operating Agreement submitted as part of the ARRA Capitalization Grant Application. This Operating Agreement is the official agreement between the State and EPA.

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Pursuant to Section 1452 of the SDWA, the State certifies that:

- The State has the authority to establish a DWSRF Loan Program project loan fund and to operate the DWSRF Loan Program in accordance with the SDWA.
- The State will comply with its statutes and regulations.
- The State has the technical capability to operate the program.
- The State will accept ARRA Grant funds in accordance with a payment schedule.
- The State will deposit all ARRA Grant funds in the DWSRF Loan Program project fund or set-aside account.
- The State will deposit interest earnings and repayments into the DWSRF Loan Program project fund.
- The State will match ARRA Capitalization Grant funds the State uses for 1452(g) (2) set-aside.
- The State will use Generally Accepted Accounting Principles.
- The State will have the DWSRF Loan Program project fund and set aside account audited annually in accordance with General Accepted Government Auditing Standards.
- The State will adopt policies and procedures to assure that borrowers have a dedicated source of revenue for repayments.
- The State will commit and expend funds as efficiently as possible, and in an expeditious and timely manner.
- The funds will be used in accordance with the IUP.
- The State will provide EPA with an Annual Report.
- The State will comply with all federal prosecuting authorities.

In addition, the State certifies that it will conduct environmental reviews on water system projects in satisfying the National Environmental Policy Act-like (NEPA-like) requirements. The State's NEPA-like procedures are contained in the approved Operating Agreement.

Section 1452 of the SDWA requires the State to complete and submit a Biennial Report on the uses of the DWSRF Loan Program. The State intends to submit an annual report to EPA regarding the DWSRF Loan Program. This report will contain detailed information on how the State has met the goals and objectives of the previous year as stated in the IUP and Capitalization Grant agreement.

Disadvantaged Business Enterprise (MBE)/Women's Business Enterprise (WBE) Goals

In accordance with federal Executive Order 11625 dated October 13, 1971, and Executive Order 12138 dated May 18, 1979, the local government must make a good faith effort to include participation from minority and women's businesses in sub-agreement awards. The MBE fair share goal is 2.6 percent for construction and 5.2 percent for supplies, services, and equipment. The WBE fair share goal is 2.6 percent for construction and 5.2 percent for supplies, services, and equipment.

Public Review and Comment

A public meeting was held on March 20, 2009, in Nashville to receive comments on the ARRA IUP. The State formally issued a public notice on February 24, 2009, to solicit participation in the public meeting. Over eight hundred notices were sent to local governments including municipalities, counties, water authorities, and utility districts; consulting engineers; and other interested parties that are included on the mailing list. A copy of the IUP is posted on the

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TDEC's website located at <http://www.state.tn.us/environment/srf>. A summary of the public meeting is on file in the offices of the DWSRF Loan Program.

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ATTACHMENTS

- Attachment 1: DWSRF FY 2009/2010 Priority Ranking List
- Attachment 2: Priority Point Criteria for DWSRF Loan Program Projects
- Attachment 3: DWSRF Loan Program ARRA Grant Binding Commitment Schedule
- Attachment 4: DWSRF ARRA Quarterly ASAP Schedule
- Attachment 5: DWSRF ARRA Loan Program Disbursements Schedule
- Attachment 6: ARRA Public Notice, February 24, 2009

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Attachment 1

DRINKING WATER STATE REVOLVING FUND													
FY 2009-2010 Priority Ranking List													
								# proj					
					Total DWSRF	\$ 656,660,217		317					

Rank	Priority Points	PWSID#-TN...	Pop.	Local Government / Utility District (UD)	Project Description	Priority List Amount	Bind. Commit.	Constr Start	Init. of Oper.	Constr End	Interest Rate **	Repay Period	Environ. Review
1	80	633	2,350	Watauga RRWA # * +	Emergency connection to Siam UD WPT	\$ 400,000	Jun-09	Sep-09	Feb-10	Mar-10	0.81%	20 yr	FNSI
2	80	373	3,885	Lafayette * # +	Phase I water system improvements to connect to the Huntsville Water System	\$ 2,775,900	Jun-09	Sep-09	Aug-10	Sep-10	2.42%	20 yr	FNSI
3	80	150	8,981	Crossville # +	Raw Water Harvesting from Lake Tansi	\$ 5,000,000	Sep-09	Jan-10	Dec-10	Jan-11	3.23%	20 yr	FNSI
4	60	330	2,448	Jellico * # +	2 new wells, WL extension, and PS	\$ 2,400,000	Jun-09	Sep-09	Feb-10	Mar-10	0.81%	20 yr	FNSI
5	60	613	7,030	Savannah Valley UD # * +	Carson Springs WTP Upgrade and Expansion to 4 MGD and well development at the Carson Springs WTP	\$ 3,200,000	Jun-09	Nov-09	Jul-11	Sep-11	1.62%	20 yr	FNSI
6	60	423	12,749	McMinnville * #	WL replacement-N. Chancery and Main St areas and PS upgrade-new Smithville Hwy	\$ 575,000	Sep-09	Dec-09	Nov-10	Dec-10	2.02%	20 yr	FNSI
7	40	318	11,750	Huntsville UD #	Raw Water Intake Expansion/Upgrade to 2 MGD	\$ 500,000	Sep-09	Dec-09	Nov-10	Dec-10	0.81%	20 yr	FNSI

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Rank	Priority Points	PWSID#-TN...	Pop.	Local Government / Utility District (UD)	Project Description	Priority List Amount	Bind. Commit.	Constr Start	Init. of Oper.	Constr End	Interest Rate **	Repay Period	Environ. Review
8	40		29,447	Giles County (on behalf of Fairview UD, Lynnville UD, S. Giles UD, and Tarpley Shop UD) #	WL extension, various areas -- Phase 1	\$ 4,250,000	Jun-09	Dec-09	May-10	Jun-10	1.62%	20 yr	FNSI
9	40	525	6,250	Ocoee UD * # +	Polk County Waterline Extensions	\$ 954,237	Jun-09	Sep-09	Aug-10	Sep-10	1.62%	20 yr	FNSI
10	40	525	6,250	Ocoee UD # +	New Water Transmission Line (approximately 8 miles of water line)	\$ 3,200,000	Jan-10	Mar-10	Feb-11	Mar-11	1.62%	20 yr	FNSI
11	40	211	17,452	Dyersburg #	Water Line Extension to alleviate low pressures - NW Dyer Co.	\$ 2,043,000	Jan-10	Mar-10	Feb-11	Mar-11	2.02%	20 yr	FNSI
12	40	667	7,715	Spring Hill # +	Duplex Road Booster Station and Distribution System Improvements	\$ 1,250,000	Jan-10	Mar-10	Feb-11	Mar-11	2.83%	20 yr	FNSI
13	40	714	7,904	Tuckaleechee UD # +	WL extension and PS	\$ 1,800,000	Jan-10	Mar-10	Feb-11	Mar-11	2.83%	20 yr	FNSI
14	40	409	4,476	Loudon * # +	Raw water pump station, 48" diameter intake piping into the Tennessee River, and 1000KW standby power generator and appurtenances.	\$ 5,750,000	Sep-09	Dec-09	Nov-10	Dec-10	3.64%	20 yr	FNSI
15	40	409	4,476	Loudon * # +	WTP expansion from 14- to 21-MGD, new chemical building, and new finished water pump station.	\$ 19,500,000	Sep-09	Dec-09	Nov-10	Dec-10	3.64%	20 yr	FNSI

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Rank	Priority Points	PWSID#-TN...	Pop.	Local Government / Utility District (UD)	Project Description	Priority List Amount	Bind. Commit.	Constr Start	Init. of Oper.	Constr End	Interest Rate **	Repay Period	Environ. Review
16	20	211	17,452	Dyersburg #	2-MG Water Storage Tank to alleviate low pressures & increase storage capacity--NW Dyer County	\$ 2,500,000	Sep-09	Dec-09	Nov-10	Dec-10	2.02%	20 yr	FNSI
17	80	651	3,295	South Pittsburg # +	WTP expansion and Supply-Phases I and II	\$ 7,704,000	Mar-10	Jun-10	Jun-13	Jul-13	2.02%	20 yr	FNSI
18	80	7	7,734	Alcoa +	Source Water - Auxiliary Raw Water Line & Intake	\$ 16,300,000	Apr-09	Jun-09	May-10	Jun-10	3.64%	20 yr	FNSI
19	80	246	41,842	Franklin	WTP Raw Water Reservoir Improvements	\$ 2,500,000	Jun-09	Sep-09	Nov-09	Dec-09	3.64%	20 yr	FNSI
20	60	119	2,699	Clifton +	WL extension-Hwy 114	\$ 630,000	Apr-09	Jun-09	Nov-09	Dec-09	0.00%	20 yr	FNSI
21	60		16,842	Wayne County	WL extension-13 South and new Water Tank	\$ 690,000	Mar-09	May-09	Oct-09	Nov-09	0.81%	20 yr	FNSI
22	60	415	7,504	Luttrell-Blaine-Corryton UD +	New WTP and intake, etc.	\$ 2,500,000	Jan-09	May-09	Jun-10	Jul-10	1.21%	20 yr	FNSI
23	60	490	4,708	Munford +	New Elevated Storage Tank (500,000 gallons)	\$ 1,299,089	Jan-09	May-09	Apr-10	May-10	1.21%	20 yr	FNSI
24	60		62	Wayne County +	WL extension-Eagle Truss	\$ 850,000	Jan-09	Jun-09	Nov-09	Dec-09	0.81%	20 yr	FNSI
25	60	48	2,462	Benton County +	Waterline extension (approx. 14,800 LF of 6-inch water main, services, and appurtenances)	\$ 359,600	Jan-09	Jun-09	Jan-10	Feb-10	1.21%	20 yr	FNSI
26	60	480	435	Brownlow Utility District +	Waterline extension-Mining Town Road	\$ 125,000	Mar-09	Jul-09	Oct-09	Nov-09	1.21%	20 yr	FNSI
27	60			Springville UD +	Water Supply line-new	\$ 2,000,000	Jun-09	Aug-09	Jul-10	Aug-10	1.62%	20 yr	FNSI
28	60			Springville UD +	Phase I-Water Distribution Piping	\$ 900,000	Jun-09	Aug-09	Jul-10	Aug-10	1.62%	20 yr	FNSI
29	60			Springville UD +	Phase II-Water Distribution Piping	\$ 1,010,000	Jun-09	Aug-09	Jul-10	Aug-10	1.62%	20 yr	FNSI

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Rank	Priority Points	PWSID#-TN...	Pop.	Local Government / Utility District (UD)	Project Description	Priority List Amount	Bind. Commit.	Constr Start	Init. of Oper.	Constr End	Interest Rate **	Repay Period	Environ. Review
30	60	201	18,534	Poplar Grove UD	New Water Ground Storage tank (750,000 gal)	\$ 551,529	Jun-09	Sep-09	Jul-10	Sep-10	1.21%	20 yr	FNSI
31	60	63	5,969	Bolivar +	WTP upgrade	\$ 1,400,000	Jun-09	Sep-09	Apr-10	May-10	1.62%	20 yr	CE
32	60	109	9,995	First UD of Hawkins Co. +	Waterline extension-Mt. Zion Rd, Tipton Lane, Gravelly Valley Rd	\$ 2,263,000	Jul-09	Oct-09	Aug-10	Sep-10	1.62%	20 yr	FNSI
33	60	223	1,130	Watauga RRWA #	Waterline replacement of line within the former North Elizabethton Water Co. System	\$ 1,600,000	Jul-09	Oct-09	Aug-10	Sep-10	0.81%	20 yr	FNSI
34	60	480	435	Brownlow Utility District +	Waterline extension - Slimp Branch, Stout Branch, Mill Cr, Arnoldtown, Maple Crakers Neck Rd	\$ 1,770,500	Jul-09	Oct-09	Aug-10	Sep-10	1.21%	20 yr	FNSI
35	60	919	611	Dry Run UD +	Waterline extension to Big Dry Run, Copperhead Hollow, Avery Branch, Robe Shull, Locust Gap, and Mill Creek Roads	\$ 3,600,000	Jul-09	Oct-09	Aug-10	Sep-10	1.21%	20 yr	FNSI
36	60		8,600	Watauga RRWA: Siam U. D.; N Elizabethton U.D.; S Elizabethton U. D.; City of Elizabethton +	WTP-new-Wilbur Lake, intake line, and distribution lines	\$ 15,550,000	Jul-09	Nov-09	Oct-10	Nov-10	0.81%	20 yr	FNSI
37	60	8	814	Alexandria +	WL extension - Lover's Lane	\$ 560,000	Jan-10	Mar-10	Jul-10	Aug-10	1.21%	20 yr	FNSI
38	60	8	814	Alexandria +	Brush Creek Road Pump Station Replacement	\$ 300,000	Jan-10	Mar-10	Jul-10	Aug-10	1.21%	20 yr	FNSI

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Rank	Priority Points	PWSID#-TN...	Pop.	Local Government / Utility District (UD)	Project Description	Priority List Amount	Bind. Commit.	Constr Start	Init. of Oper.	Constr End	Interest Rate **	Repay Period	Environ. Review
39	60	8	814	Alexandria +	Water Storage Reservoir	\$ 300,000	Mar-10	Jun-10	Jul-10	Aug-10	1.21%	20 yr	FNSI
40	60	383	1,888	Lake City +	WL rehab, Water Meter Replacement	\$ 687,000	Jun-09	Oct-09	May-10	Jun-10	1.62%	20 yr	CE
41	60	488	4,491	Mount Pleasant +	WL rehab/replacement	\$ 600,000	Dec-09	Feb-10	Sep-10	Oct-10	1.62%	20 yr	FNSI
42	60	488	4,491	Mount Pleasant +	New source development	\$ 1,500,000	Dec-09	Feb-10	Dec-10	Jan-11	1.62%	20 yr	FNSI
43	60	488	4,491	Mount Pleasant +	WTP - new	\$ 5,000,000	Sep-09	Mar-10	Jan-12	Feb-12	1.62%	20 yr	FNSI
44	60	563 419 566	29,447	Giles County (on behalf of Fairview UD, Lynnville UD, S. Giles UD, and Tarpley Shop UD)	Water Line Extension Program, Phase 2	\$ 1,700,000	Nov-09	Apr-10	Dec-10	Jan-11	1.62%	20 yr	FNSI
45	60	563 419 566	29,447	Giles County (on behalf of Fairview UD, Lynnville UD, S. Giles UD, and Tarpley Shop UD)	Water Line Extension Program, Phase 3	\$ 1,200,000	Mar-10	Jun-10	Nov-12	Dec-12	1.62%	20 yr	FNSI
46	60	559	8,458	Portland # * +	WTP Improvements and Water System Planning and Evaluation	\$ 600,000	Sep-09	Mar-10	Feb-11	Mar-11	2.02%	20 yr	FNSI
47	60	95	2,251	Carthage +	750,000 gallon water tank	\$ 500,000	Jun-09	Jul-09	Nov-09	Dec-09	2.02%	20 yr	FNSI
48	60	90	3,828	Camden +	Raw Water Intake Rehabilitation and Transmission Main Replacement	\$ 2,500,000	Apr-09	Jun-09	May-10	Jun-10	2.02%	20 yr	FNSI
49	60	494	569,891	Metro Nashville / Davidson Co	Replacement of Valves at Omohundro (08-WC-033)	\$ 450,000	Apr-09	Jun-09	Mar-10	Apr-10	2.02%	20 yr	CE

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Rank	Priority Points	PWSID#-TN...	Pop.	Local Government / Utility District (UD)	Project Description	Priority List Amount	Bind. Commit.	Constr Start	Init. of Oper.	Constr End	Interest Rate **	Repay Period	Environ. Review
50	60	221	13,372	Elizabethton	New Well, Waterline replacement - Hampton, Waterline replacement - Broad St.	\$ 4,000,000	Apr-09	Sep-09	Apr-10	May-10	2.02%	20 yr	FNSI
51	60	278	1,160	Griffith Creek UD +	Water Tank Booster Station Improvements, 2 pressure reducing valves	\$ 750,000	Apr-09	Jun-09	May-10	Jun-10	2.02%	20 yr	CE
52	60	316	4,349	Huntingdon +	WL extension	\$ 375,000	Apr-09	May-09	Sep-09	Oct-09	2.02%	20 yr	FNSI
53	60	338	4,168	Jonesborough +	WTP upgrade w/ new sedimentation basin, tube settlers, etc.	\$ 525,000	Apr-09	Jul-09	Dec-09	Jan-10	2.02%	20 yr	CE
54	60	499	4,138	New Market Utility District +	Lynn Road Water System Extension Project	\$ 400,000	Jul-09	Oct-09	Sep-10	Dec-10	2.02%	20 yr	FNSI
55	60	530	8,006	Old Knoxville Hwy Water UD +	Waterline Extension	\$ 1,500,000	May-09	Aug-09	Jul-10	Aug-10	2.02%	20 yr	FNSI
56	60	687	5,586	Sweetwater +	WTP rehab	\$ 2,000,000	Apr-09	Sep-09	Aug-10	Sep-10	2.02%	20 yr	CE
57	60	191	46,047	Water Authority of Dickson County	WL extension / transmission line and PS-Bon Aqua-Lyles area and water tank demo	\$ 850,000	Jul-09	Oct-09	May-10	Jun-10	2.02%	20 yr	FNSI
58	60	191	46,047	Water Authority of Dickson County	Water tank - new and waterline extension - I-40 / Turnbull area	\$ 6,000,000	Jul-09	Oct-09	Sep-10	Oct-10	2.02%	20 yr	FNSI
59	60	61	1,559	Bluff City +	WTP upgrades via Water tank - new chlorine contact tank and re-rate of filter plant production capacity	\$ 300,000	Feb-10	May-10	Jul-10	Aug-10	2.02%	20 yr	CE
60	60	425	3,939	Madisonville +	WL extension in SW Monroe Co and loop Atkins Rd	\$ 700,000	Dec-09	Jun-10	May-11	Jun-11	2.42%	20 yr	FNSI

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Rank	Priority Points	PWSID#-TN...	Pop.	Local Government / Utility District (UD)	Project Description	Priority List Amount	Bind. Commit.	Constr Start	Init. of Oper.	Constr End	Interest Rate **	Repay Period	Environ. Review
61	60	147	16,907	Crab Orchard UD	Waterline extension, PS rehab, new waterlines, new PS, new Water Tank	\$ 4,100,000	Sep-09	Jul-10	Jun-11	Jul-11	2.42%	20 yr	FNSI
62	60	231	5,610	Erwin +	WTP upgrades- Birchfield, new filtration plant for the Railroad Well, SCADA system	\$ 1,500,000	Sep-09	Jul-10	Feb-11	Mar-11	2.42%	20 yr	CE
63	60	714	9,509	Tuckaleechee Utility District +	Laurel Valley Water Improvement Project - new tanks, new waterlines, 2 booster stations, etc	\$ 3,705,000	Sep-09	Sep-10	Feb-11	Mar-11	2.83%	20 yr	FNSI
64	60	367	28,099	Knox Chapman UD	5 MGD raw water intake structure	\$ 4,110,000	Jul-09	Sep-09	Mar-10	Apr-10	2.83%	20 yr	FNSI
65	60	652	45,991	Sparta	New Raw Water Intake and RW Transmission Main	\$ 7,000,000	Mar-10	Jun-10	Oct-11	Nov-11	2.83%	20 yr	FNSI
66	60	652	45,991	Sparta	WTP expansion to 8 MGD	\$ 5,000,000	Mar-10	Jun-10	Apr-12	May-12	2.83%	20 yr	CE
67	60	24	13,220	Athens	WTP rehab	\$ 1,785,000	Sep-09	Jan-10	May-10	Jun-10	3.23%	20 yr	CE
68	60	150	8,981	Crossville +	Waterline extension to the Catoosa Area	\$ 2,450,000	Sep-09	Jan-10	Mar-10	Apr-10	3.23%	20 yr	FNSI
69	60	424	47,953	Madison Suburban UD	WTP improvements- Operational Vulnerability	\$ 2,500,000	Sep-09	Jan-10	Jun-10	Jul-10	3.23%	20 yr	CE
70	60	393	20,235	Lebanon	Clearwell & sludge dewatering facilities at existing WTP	\$ 2,500,000	Jul-09	Oct-09	Aug-10	Sep-10	3.23%	20 yr	CE
71	60	521	1,279	Oakland +	New Elevated Storage Tank (500,000 gallons)	\$ 2,695,843	Jul-09	Nov-09	Oct-10	Nov-10	3.23%	20 yr	FNSI
72	60	7	7,734	Alcoa +	Concrete reservoir replacements - Overlook #1 and #2	\$ 6,000,000	Sep-09	Jan-10	May-11	Jun-11	3.64%	20 yr	CE

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Rank	Priority Points	PWSID#-TN...	Pop.	Local Government / Utility District (UD)	Project Description	Priority List Amount	Bind. Commit.	Constr Start	Init. of Oper.	Constr End	Interest Rate **	Repay Period	Environ. Review
73	60		71,170	Sevier County	Expand 10-inch water line approximately 6.1 miles along Whites School Road and Chapman Highway	\$ 2,635,000	Jan-10	Jul-10	Jun-11	Jul-11	3.64%	20 yr	FNSI
74	60	246	41,842	Franklin	Downs Blvd Water Line	\$ 2,300,000	Jul-09	Nov-09	May-10	Jun-10	3.64%	20 yr	FNSI
75	40	263	305	Gibson +	WL extension	\$ 101,300	Jan-10	Jun-10	Sep-10	Oct-10	0.40%	20 yr	FNSI
76	40	581	27,101	Lauderdale County	WL replacement	\$ 600,000	Mar-10	Sep-10	Jul-11	Aug-11	0.40%	20 yr	FNSI
77	40	729	4,979	Plateau UD +	Waterline replacement-using for account	\$ 1,915,396	Jan-10	Mar-10	Feb-13	Mar-13	0.40%	20 yr	FNSI
78	40	35	1,000	Atwood +	WTP upgrade and new well	\$ 600,000	Jun-10	Aug-10	Mar-12	Apr-12	0.81%	20 yr	FNSI
79	40	318	11,750	Huntsville UD	WTP upgrades, high service pump replacement, PS improvements, WL replacement serving Oneida and Huntsville area	\$ 1,360,000	Jun-09	Sep-09	Oct-10	Nov-10	0.81%	20 yr	CE / FNSI
80	40	727	4,683	Trenton +	WL replacement	\$ 110,500	Mar-10	May-10	Jan-11	Feb-11	1.21%	20 yr	FNSI
81	40	490	4,708	Munford +	Waterline extension on Hwy 51	\$ 1,811,120	Mar-10	May-10	Sep-11	Oct-11	1.21%	20 yr	FNSI
82	40	727	4,683	Trenton +	Water Tank - new and WL extension	\$ 1,615,000	Mar-10	May-10	Feb-11	Mar-11	1.21%	20 yr	FNSI
83	40	70	1,719	Brighton +	Water Main Replacement	\$ 202,444	Jul-10	Oct-10	Jun-11	Jul-11	1.21%	20 yr	FNSI
84	40	279	2,311	Halls +	Waterline extension and fire hydrants	\$ 310,000	Jul-10	Oct-10	Nov-11	Dec-11	1.21%	20 yr	FNSI
85	40	279	2,311	Halls +	Waterline extension	\$ 430,000	Oct-10	Nov-10	Mar-11	Mar-11	1.21%	20 yr	FNSI
86	40	201	18,534	Poplar Grove UD	Waterline Extension - Northeast	\$ 2,795,497	Dec-10	Dec-10	Nov-11	Dec-11	1.21%	20 yr	FNSI
87	40	600	1,187	Rutledge +	WL replacement - Hwy 11W	\$ 710,000	Dec-10	Feb-11	Jul-11	Aug-11	1.21%	20 yr	FNSI

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88	40	469	5,597	Minor Hill Water UD +	Tacketts Branch Road Water Supply Line	\$ 300,000	Jan-10	Apr-10	May-10	Jun-10	1.62%	20 yr	FNSI
89	40	109	9,995	First UD of Hawkins Co. +	Water system rehabilitation - system wide to eliminate old WTP	\$ 2,535,000	Mar-10	Jun-10	Nov-10	Dec-10	1.62%	20 yr	FNSI
90	40	580	7,844	Ripley +	WL replacement	\$ 200,000	Feb-10	Jun-10	Sep-10	Oct-10	1.62%	20 yr	FNSI
91	40	636	7,298	Smith Utility District +	WL extension - Zinc Mine	\$ 1,111,000	Feb-10	Jun-10	Oct-10	Nov-10	1.62%	20 yr	FNSI
92	40	613	25,767	Savannah Valley Utility District	New water transmission lines - Mahan Gap / Ootley - Georgetown Rd	\$ 1,800,000	Feb-10	Jun-10	Jun-11	Jul-11	1.62%	20 yr	FNSI
93	40	523	3,303	Oliver Springs +	WTP improvements - Instrumentation Renovation	\$ 400,000	Feb-10	Jun-10	Nov-11	Dec-11	1.62%	20 yr	CE
94	40	374	8,207	Lafollette +	WTP improvements, Waterline replacements, waterlines - new	\$ 1,650,000	May-10	Aug-10	Aug-11	Sep-11	1.62%	20 yr	FNSI
95	40	733	4,029	Waverly +	Duck River Waterline Crossing	\$ 200,000	May-10	Aug-10	Sep-10	Oct-10	1.62%	20 yr	FNSI
96	40	636	7,298	Smith Utility District +	Water tank - new and WL replacement - Pope's Hill	\$ 1,648,500	Apr-10	Sep-10	May-11	Jun-11	1.62%	20 yr	FNSI
97	40	594	4,395	Persia Utility District +	New water source - intake pumps, settling basins, etc	\$ 1,346,000	Apr-10	Sep-10	Jun-11	Jul-11	1.62%	20 yr	FNSI
98	40	33	3,225	Atoka +	Transmission main from Atoka - Idaville Rd to Water Tower	\$ 200,000	Jul-10	Sep-10	Dec-11	Jan-12	1.62%	20 yr	FNSI
99	40	33	3,225	Atoka +	Water Storage Tank	\$ 1,000,000	Jul-10	Sep-10	Dec-11	Jan-12	1.62%	20 yr	FNSI
100	40			Highway 25 Utility District +	Transmission Line - Source Reliability	\$ 650,000	Jul-10	Oct-10	Nov-10	Dec-10	1.62%	20 yr	CE

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101	40	469	5,597	Minor Hill Water UD +	Bethel Road Water Line Rehab	\$ 580,000	Jul-10	Oct-10	Jan-11	Feb-11	1.62%	20 yr	FNSI
102	40	469	5,597	Minor Hill Water UD +	Minor Hill Hwy Water Line Rehab	\$ 440,000	Jul-10	Oct-10	Jan-11	Feb-11	1.62%	20 yr	FNSI
103	40	80	10,748	Brownsville	Waterline extension - Windrow Road Industrial Park	\$ 750,000	Jul-10	Oct-10	Feb-11	Mar-11	1.62%	20 yr	FNSI
104	40	525	73,712	Ocoee UD	Central Waterline Extension	\$ 1,200,000	Jul-10	Oct-10	Mar-11	Apr-11	1.62%	20 yr	FNSI
105	40	525	73,712	Ocoee UD	Wildwood WTP Upgrade	\$ 1,400,000	Jul-10	Oct-10	Oct-11	Oct-11	1.62%	20 yr	CE
106	40	80	10,748	Brownsville	Waterline extension to the Area South of I-40 at SR 16	\$ 380,000	Jul-10	Nov-10	Feb-11	Mar-11	1.62%	20 yr	FNSI
107	40	636	7,298	Smith Utility District +	WL extension - Hickman	\$ 889,500	Sep-11	Feb-11	Jun-11	Jul-11	1.62%	20 yr	FNSI
108	40	33	3,225	Atoka +	Water distribution lines in Strong Subdivision	\$ 1,000,000	Sep-11	Sep-11	Dec-12	Jan-13	1.62%	20 yr	FNSI
109	40	770	69,499	Maury County	Phase I - Interstate 65 Transmission Main	\$ 750,000	Jan-10	Apr-10	Jun-10	Jul-10	2.02%	20 yr	FNSI
110	40	770	69,499	Maury County	2009 Water System Improvements	\$ 400,000	Jan-10	Apr-10	Jun-10	Jun-10	2.02%	20 yr	CE
111	40	536	9,763	Paris +	WTP Control System Upgrade	\$ 265,000	Mar-10	May-10	Aug-09	Sep-09	2.02%	20 yr	CE
112	40	90	3,828	Camden +	Waterline replacement - multiple areas of northwest Knox County	\$ 3,000,000	Mar-10	Jun-10	May-10	Jun-11	2.02%	20 yr	FNSI
113	40	90	3,828	Camden +	Finished Water Transmission Main Replacement	\$ 3,400,000	Mar-10	Jun-10	May-10	Jun-11	2.02%	20 yr	FNSI
114	40	180	9,853	Chuckey Utility District +	Waterline Replacement -Phase 2	\$ 1,500,000	Mar-10	Jun-10	Nov-11	Dec-11	2.02%	20 yr	FNSI
115	40	149	7,319	Cross Anchor Utility District +	Waterline replacement	\$ 2,800,000	Mar-10	Jun-10	Mar-11	Apr-11	2.02%	20 yr	FNSI

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116	40	360	5,264	Kingston +	WL extension along Hwy 70-Rockwood/Kingston Waterline Connection	\$ 2,000,000	Mar-10	Jun-10	May-11	Jun-11	2.02%	20 yr	FNSI
117	40	478	1,749	Mosheim +	Waterline replacement	\$ 950,000	Mar-10	Jun-10	May-11	Jun-11	2.02%	20 yr	FNSI
118	40	371	52,706	West Knox Utility District (Anderson and Knox Counties)	Daugherty Water Transmission Mains replacement	\$ 7,000,000	Mar-10	Jan-11	May-11	Jun-12	2.02%	20 yr	FNSI
119	40	371	52,706	West Knox Utility District (Anderson and Knox Counties)	Pittman Road Waterline replacement	\$ 1,100,000	Jun-11	Jan-11	Nov-12	Dec-12	2.02%	20 yr	FNSI
120	40	494	569,891	Metro Nashville / Davidson Co	Harding Place Water Main Project	\$ 3,700,000	Sep-10	Jan-11	Mar-11	Apr-11	2.02%	20 yr	FNSI
121	40	494	569,891	Metro Nashville / Davidson Co	Powell Ave. Phase I Water Main	\$ 9,000,000	Mar-10	Jun-10	Mar-11	Apr-11	2.02%	20 yr	FNSI
122	40	494	569,891	Metro Nashville / Davidson Co	Dodson Chapel Water Main Project	\$ 5,800,000	Mar-10	Jun-10	Mar-11	Apr-11	2.02%	20 yr	FNSI
123	40	494	569,891	Metro Nashville / Davidson Co	17th & 18th Ave Water Main Project	\$ 4,000,000	Mar-10	Jun-10	Mar-11	Apr-11	2.02%	20 yr	FNSI
124	40	494	569,891	Metro Nashville / Davidson Co	Harding Place Water Main Project-Phase II (08-WC-014)	\$ 6,200,000	Mar-10	Jun-10	Mar-11	Apr-11	2.02%	20 yr	FNSI
125	40	494	569,891	Metro Nashville / Davidson Co	Omohundra 48-inch Water Main (03-WG-153)	\$ 5,500,000	Mar-10	Jun-10	Mar-11	Apr-11	2.02%	20 yr	FNSI
126	40	494	569,891	Metro Nashville / Davidson Co	Replacement of Filter Media at KR Harrington (08-WG-088)	\$ 150,000	Mar-10	Jun-10	Mar-11	Apr-11	2.02%	20 yr	CE
127	40	134	6,713	Cookeville Boat Dock UD +	Waterline replacement on Lee Seminary Road	\$ 900,000	Apr-10	Jul-10	Nov-11	Dec-11	2.02%	20 yr	FNSI
128	40	719	4,017	Unicoi Water Utility District +	Water Tank - new and Waterline replacement	\$ 2,300,000	Apr-10	Jul-10	Jun-11	Jul-11	2.02%	20 yr	FNSI

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129	40	56	11,602	Bloomington Water Utility District	Green project - Water Meter and Waterline replacement	\$ 3,000,000	Apr-10	Aug-10	Aug-11	Sep-11	2.02%	20 yr	FNSI
130	40	57	12,303	Blountville Utility District	Green project - Water Meter and Waterline replacement	\$ 2,150,000	Apr-10	Aug-10	Aug-11	Sep-11	2.02%	20 yr	FNSI
131	40	316	4,349	Huntingdon +	Waterline extension to Huntingdon Industrial Park	\$ 604,000	Apr-10	Aug-10	Dec-10	Jan-11	2.02%	20 yr	FNSI
132	40	726	1,162	TASS +	Water Tank - new - Hiwassee Rd and WL extension and Telemetry installation	\$ 1,500,000	Apr-10	Aug-10	Jun-11	Jul-11	2.02%	20 yr	FNSI
133	40	536	9,763	Paris +	Mineral Wells Waterline Replacement	\$ 705,000	Jul-10	Oct-10	May-11	Jun-11	2.02%	20 yr	FNSI
134	40	191	46,047	Water Authority of Dickson County	WL extension - Crow Cut Rd, etc	\$ 837,000	Jul-10	Oct-10	May-11	Jun-11	2.02%	20 yr	FNSI
135	40	191	46,047	Water Authority of Dickson County	Water tank - new and WL extension - Charlotte area	\$ 2,000,000	Jul-10	Oct-10	May-11	Jun-11	2.02%	20 yr	FNSI
136	40	650	3,782	Witt UD +	Waterline extension / replacement, 2 water reservoirs, 1 pump station	\$ 6,177,681	Jul-10	Oct-10	Aug-11	Sep-11	2.02%	20 yr	FNSI
137	40	338	4,168	Jonesborough +	WL rehab / replacement and extension - Bowmantown Rd	\$ 400,000	Jul-10	Oct-10	Nov-11	Dec-11	2.02%	20 yr	FNSI
138	40	720	10,876	Union City	Waterline extension to Airport Industrial Park	\$ 700,000	Sep-10	Dec-10	Apr-12	May-12	2.02%	20 yr	FNSI
139	40	590	5,774	Rockwood +	WTP improvements - high service pump upgrade	\$ 712,810	Sep-10	Dec-10	Nov-12	Dec-12	2.02%	20 yr	CE
140	40	191	46,047	Water Authority of Dickson County	WL replacement - Eno Rd, etc	\$ 1,400,000	Sep-10	Jan-11	Sep-12	Oct-12	2.02%	20 yr	FNSI

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141	40	191	46,047	Water Authority of Dickson County	Water tank - new and WL extension - Hwy 48S / I-40 area	\$ 2,200,000	Sep-10	Jan-11	Sep-12	Oct-12	2.02%	20 yr	FNSI
142	40	770	69,499	Maury County	Sowell Mill Pike / Carpenter Bridge Water Line Extension	\$ 1,700,000	Sep-10	Feb-11	Jul-12	Aug-12	2.02%	20 yr	FNSI
143	40	770	69,499	Maury County	Phase II - Interstate 65 Transmission Main	\$ 750,000	Sep-10	Mar-11	Apr-12	May-12	2.02%	20 yr	FNSI
144	40	626	17,276	Shady Grove U. D.	Water tank, WL replacement, WL - new	\$ 2,184,926	Jan-11	May-11	Apr-11	May-11	2.02%	20 yr	FNSI
145	40	770	69,499	Maury County	Phase III - Interstate 65 Transmission Main	\$ 1,400,000	Jan-11	Jul-11	Sep-11	Oct-11	2.02%	20 yr	FNSI
146	40	392	10,796	Lawrenceburg	Waterline replacement	\$ 150,000	Mar-10	Jul-10	Nov-11	Dec-11	2.42%	20 yr	FNSI
147	40	598	16,055	Russellville-Whitesburg UD	Waterline replacement along Hwy 11E to Hwy 66	\$ 3,000,000	Mar-10	Aug-10	Jul-11	Aug-11	2.42%	20 yr	FNSI
148	40	14	14,845	Alpha-Talbott Utility District	Water Main replacement in multiple areas off of US Hwy 11E and Old Andrew Johnson Hwy	\$ 1,600,000	Jun-10	Oct-10	Dec-11	Jan-12	2.42%	20 yr	FNSI
149	40	639	38,073	Smyrna	WTP expansion to 18.3 MGD and Process Upgrades	\$ 26,070,000	Jun-10	Nov-10	Jan-13	Feb-13	2.42%	20 yr	CE
150	40	253	23,320	Gallatin	Industrial Park Water System Expansion	\$ 613,000	Jun-10	Dec-10	Nov-12	Dec-12	2.42%	20 yr	CE
151	40	392	10,796	Lawrenceburg	Waterline extension	\$ 300,000	Jan-10	Apr-10	Nov-12	Sep-12	2.42%	20 yr	FNSI
152	40	366	173,890	Knoxville	Sutherland Ave. WL replacement	\$ 625,000	Oct-09	Feb-10	Jul-12	Aug-12	2.83%	20 yr	FNSI
153	40	366	173,890	Knoxville	Lonsdale Rd WL replace	\$ 1,472,000	Oct-09	Feb-10	Nov-12	Dec-12	2.83%	20 yr	FNSI
154	40	280	63,765	Hallsdale Powell UD	WL upgrade East Raccoon Valley Rd	\$ 400,000	Oct-09	Feb-10	May-12	Jun-12	2.83%	20 yr	FNSI
155	40	280	63,765	Hallsdale Powell UD	Dry Gap Road Water System Improvements	\$ 1,000,000	Oct-09	Feb-10	May-12	Jun-12	2.83%	20 yr	FNSI

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156	40	280	63,765	Hallsdale Powell UD	WL replacement - Cherokee Ridge Water System Improvements	\$ 1,050,000	Oct-09	Feb-10	May-12	Jun-12	2.83%	20 yr	FNSI
157	40	280	63,765	Hallsdale Powell UD	WL replacement - Norris Freeway to Doris Circle Water System Improvements	\$ 550,000	Oct-09	Feb-10	May-12	Jun-12	2.83%	20 yr	FNSI
158	40	280	63,765	Hallsdale Powell UD	WL replacement - Clinton Hwy Water System Improvements	\$ 825,000	Oct-09	Feb-10	May-12	Jun-12	2.83%	20 yr	FNSI
159	40	40	63,765	Hallsdale Powell UD	WL extension - SR 33 Water System Improvements Contract C	\$ 3,750,000	Oct-09	Feb-10	May-12	Jun-12	2.83%	20 yr	FNSI
160	40	280	63,765	Hallsdale Powell UD	Water System Improvements - Norris Shores Subdivision	\$ 2,000,000	Oct-09	Feb-10	May-12	Jun-12	2.83%	20 yr	CE
161	40	280	63,765	Hallsdale Powell UD	SR 170 Water System Improvements	\$ 2,000,000	Oct-09	Feb-10	May-12	Jun-12	2.83%	20 yr	CE
162	40	331	55,469	Johnson City	WTP upgrade - Unicoi WTP	\$ 1,500,000	Jan-10	Apr-10	Nov-12	Dec-12	2.83%	20 yr	CE
163	40	369	72,897	First Utility District of Knox County	Waterline Replacement- Northshore Dr	\$ 650,000	Jan-10	May-10	Sep-12	Oct-12	2.83%	20 yr	FNSI
164	40	331	55,469	Johnson City	South Area Transmission Line Extension	\$ 1,500,000	Jan-10	May-10	Apr-12	May-12	2.83%	20 yr	FNSI
165	40		382,000	Utilities Management Federation, Inc.	Interconnect 6 systems: West Knox UD; First UD of Knox Co.; NE Knox UD; Knox-Chapman UD; and Luttrell - Blaine - Corryton UD	\$ 2,500,000	Jan-10	May-10	Nov-12	Dec-12	2.83%	20 yr	FNSI

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166	40	331	55,469	Johnson City	Liberty Bell Transmission Line Extension	\$ 660,000	Jan-10	May-10	Nov-12	Dec-12	2.83%	20 yr	FNSI
167	40	37	4,181	Union Fork-Bakewell UD +	Waterline replacement	\$ 250,000	Jan-10	May-10	Sep-12	Oct-12	2.83%	20 yr	FNSI
168	40	369	72,897	First Utility District of Knox County	Waterline upgrade / relocation - North Campbell Station Rd	\$ 950,000	Jan-10	Jun-10	Jan-12	Feb-12	2.83%	20 yr	FNSI
169	40	532	36,151	Oneida	Water Tank - new 100,000 gal, Big South Fork Park and new PS	\$ 400,000	Jan-10	Jun-10	Nov-12	Dec-12	2.83%	20 yr	FNSI
170	40	532	36,151	Oneida	WTP upgrade	\$ 300,000	Jan-10	Jun-10	Sep-12	Oct-12	2.83%	20 yr	CE
171	40	532	36,151	Oneida	WTP settling improvements	\$ 1,500,000	Jan-10	Jun-10	Sep-12	Oct-12	2.83%	20 yr	CE
172	40	714	9,509	Tuckaleechee Utility District +	Webb Road / Cedar Creek Waterline Extension and Replacement Project	\$ 1,600,000	Jan-10	Jun-10	Jan-12	Feb-12	2.83%	20 yr	FNSI
173	40	371	52,706	West Knox Utility District (Anderson and Knox Counties)	Waterline replacement - multiple areas of northwest Knox County	\$ 1,800,000	Jan-10	Jun-10	May-12	Jun-12	2.83%	20 yr	FNSI
174	40	117	37,192	Cleveland	Transmission main along Frontage Rd - new and upgrades	\$ 1,030,000	Jan-10	Jun-10	Nov-11	Dec-11	2.83%	20 yr	FNSI
175	40	117	37,192	Cleveland	Water Main upgrade - Candies Cr Ridge Rd, Georgetown St to Paul Huff Pkwy	\$ 240,000	Jan-10	Jun-10	Aug-11	Sep-11	2.83%	20 yr	FNSI
176	40	331	55,469	Johnson City	Oak Grove Water Line Replacement	\$ 1,700,000	Jan-10	Jun-10	May-12	Jun-12	2.83%	20 yr	FNSI
177	40	331	55,469	Johnson City	Distribution System Replacement	\$ 450,000	Jan-10	Jun-10	May-12	Jun-12	2.83%	20 yr	CE

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178	40	438	23,120	Maryville	Water Line Extension - to serve South Blount county UD customers in the Maryville planning area	\$ 570,000	Jan-10	Jun-10	May-12	Jun-12	2.83%	20 yr	FNSI
179	40	438	23,120	Maryville	Brown School Road Water Line Extension	\$ 400,000	Jan-10	Jun-10	Apr-12	May-12	2.83%	20 yr	FNSI
180	40	635	6,746	Walden's Ridge UD +	Elevated storage tank and Waterline replacement on W Road	\$ 2,500,000	Jan-10	Jun-10	Dec-11	Jan-12	2.83%	20 yr	FNSI
181	40	635	6,746	Walden's Ridge UD and Signal Mountain +	Emergency Connection for the Utilities	\$ 2,700,000	Jan-10	Jun-10	Dec-11	Jan-12	2.83%	20 yr	FNSI
182	40	366	173,890	Knoxville	Old Donkey Ridge Lake Dist Line Ext	\$ 468,000	Jan-10	Jul-10	Sep-11	Oct-11	2.83%	20 yr	FNSI
183	40	366	173,890	Knoxville	South Hills Drive Area WL replacement	\$ 1,400,000	Jan-10	Jul-10	Mar-12	Apr-12	2.83%	20 yr	FNSI
184	40	366	173,890	Knoxville	Bethel Ave WL Replace	\$ 2,200,000	Jan-10	Jul-10	Dec-11	Jan-12	2.83%	20 yr	FNSI
185	40	366	173,890	Knoxville	Northshore - Phase I WL ext	\$ 1,800,000	Jan-10	Jul-10	Jan-12	Feb-12	2.83%	20 yr	FNSI
186	40	366	173,890	Knoxville	S Knoxville Area WL replacE	\$ 200,000	Jan-10	Jul-10	Sep-11	Oct-11	2.83%	20 yr	FNSI
187	40	366	173,890	Knoxville	Coesta Circle WL replace	\$ 252,000	Jan-10	Jul-10	Sep-11	Oct-11	2.83%	20 yr	FNSI
188	40	117	37,192	Cleveland	Water distribution main upgrade - Sycamore Dr, Redbud Dr, Laurel Dr., Azalea Dr area	\$ 236,000	Jan-10	Jul-10	Oct-11	Nov-11	2.83%	20 yr	FNSI
189	40	593	4,283	Rogersville +	Dredging of Big Creek	\$ 300,000	Feb-10	Aug-10	Oct-11	Nov-11	2.83%	20 yr	FNSI
190	40	366	173,890	Knoxville	Schubert Road WL replace	\$ 350,000	Mar-10	Sep-10	Nov-11	Dec-11	2.83%	20 yr	FNSI
191	40	366	173,890	Knoxville	Riverside Drive WL replace	\$ 800,000	Mar-10	Sep-10	Nov-11	Dec-11	2.83%	20 yr	FNSI

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192	40	117	37,192	Cleveland	Water Transmission Main extension - Phase I from Hiwassee UC WTP to Eldridge Dr Water Tank in South Cleveland	\$ 2,380,000	Mar-10	Sep-10	Feb-12	Mar-12	2.83%	20 yr	FNSI
193	40	331	55,469	Johnson City	Downtown Transmssion Line Replacement	\$ 1,300,000	Jul-11	Oct-11	Sep-12	Oct-12	2.83%	20 yr	FNSI
194	40	532	36,151	Oneida	Ponderosa Subdivision Water System Renovation	\$ 600,000	Jul-11	Oct-11	Dec-10	Jan-12	2.83%	20 yr	FNSI
195	40	643	33,583	South Blount Co UD	New Water Transmission Line to Rattlesnake Tank	\$ 3,036,050	Jul-11	Oct-11	Sep-13	Oct-13	2.83%	20 yr	FNSI
196	40	515	17,550	Northeast Knox UD	WL extension - Ellistown Rd	\$ 750,000	10/1011	Feb-12	Jul-13	Aug-13	2.83%	20 yr	FNSI
197	40	331	55,469	Johnson City	Western Improvements, Phase I, Transmission Line Extension	\$ 8,000,000	Oct-11	Mar-12	Nov-12	Dec-12	2.83%	20 yr	FNSI
198	40	242	6,994	Fayetteville +	WTP Lagoon Upgrade and Expansion	\$ 400,000	Oct-11	Apr-12	Jul-13	Aug-13	2.83%	20 yr	FNSI
199	40			Keith Springs Mountain UD	Waterline - new from Winchester Water System and Pump Station	\$ 1,500,000	Oct-11	Apr-12	Feb-13	Mar-13	2.83%	20 yr	FNSI
200	40	366	173,890	Knoxville	Concord St WL replace	\$ 575,000	Oct-11	May-12	Aug-12	Sep-12	2.83%	20 yr	FNSI
201	40	331	55,469	Johnson City	Greggtown Road Area - Phase II, Distribution System Replacement / Extension	\$ 2,000,000	Oct-11	Jun-12	Feb-13	Mar-13	2.83%	20 yr	FNSI
202	40	366	173,890	Knoxville	Rambling Acres WL replace	\$ 550,000	Oct-11	Jul-11	Nov-12	Dec-12	2.83%	20 yr	FNSI
203	40	366	173,890	Knoxville	Rifle Range Rd WL replace	\$ 520,000	Apr-11	Sep-11	Nov-12	Dec-12	2.83%	20 yr	FNSI

DWSRF Loan Program ARRA Intended Use Plan for FY 2009

Rank	Priority Points	PWSID#-TN...	Pop.	Local Government / Utility District (UD)	Project Description	Priority List Amount	Bind. Commit.	Constr Start	Init. of Oper.	Constr End	Interest Rate **	Repay Period	Environ. Review
204	40			Keith Springs Mountain UD	Waterline extensions	\$ 500,000	Apr-11	Nov-11	Oct-12	Nov-12	2.83%	20 yr	FNSI
205	40			Keith Springs Mountain UD	Water tank	\$ 150,000	Apr-11	Nov-11	Jul-12	Aug-12	2.83%	20 yr	FNSI
206	40	366	173,890	Knoxville	Chesterfield Area WL replace	\$ 490,000	Apr-11	Jan-11	May-12	Jun-12	2.83%	20 yr	FNSI
207	40	366	173,890	Knoxville	Bruhlin Road WL replace	\$ 1,500,000	Mar-12	Jul-12	Dec-12	Jan-13	2.83%	20 yr	FNSI
208	40	366	173,890	Knoxville	Holston Dr. WL replace	\$ 1,700,000	Mar-12	Jul-12	Mar-13	Apr-13	2.83%	20 yr	FNSI
209	40	366	173,890	Knoxville	Duncan Rd Area WL replace	\$ 900,000	Mar-12	Jul-12	Oct-13	Nov-13	2.83%	20 yr	FNSI
210	40	366	173,890	Knoxville	Colonial Village WL replace	\$ 1,500,000	Jun-12	Sep-12	May-13	Jun-13	2.83%	20 yr	FNSI
211	40	366	173,890	Knoxville	Deerfield Area WL replace	\$ 1,300,000	Jun-12	Oct-12	Apr-13	May-13	2.83%	20 yr	FNSI
212	40	273	15,198	Greeneville	Water Reservoir Reservoir	\$ 700,000	Mar-10	May-10	Nov-13	Dec-13	3.23%	20 yr	FNSI
213	40	424	47,953	Madison Suburban UD	Water Main Replacement -Southern region	\$ 2,328,160	Mar-10	May-10	Jun-12	Jul-12	3.23%	20 yr	FNSI
214	40	424	47,953	Madison Suburban UD	Water Main Replacement -Middle region	\$ 2,369,520	Mar-10	May-10	Jun-12	Jul-12	3.23%	20 yr	FNSI
215	40	273	15,198	Greeneville	Waterline extension - Newport Hwy	\$ 300,000	Mar-10	Jun-10	Nov-12	Dec-12	3.23%	20 yr	FNSI
216	40	474	24,965	Morristown	Raw Water Line Replacement	\$ 2,500,000	Mar-10	Jul-10	Jul-12	Jul-12	3.23%	20 yr	FNSI
217	40	396	6,214	Lenoir City +	WL replacement - Downtown	\$ 3,000,000	Mar-10	Jul-10	Feb-12	Mar-12	3.23%	20 yr	FNSI
218	40	396	6,214	Lenoir City +	WL extension - Hotchkiss Valley	\$ 1,500,000	Mar-10	Jul-10	Feb-12	Mar-12	3.23%	20 yr	FNSI
219	40	474	24,965	Morristown	WL extension - Carriger St Tank WL	\$ 4,300,000	Mar-10	Jul-10	Jun-12	Jul-12	3.23%	20 yr	FNSI
220	40	474	24,965	Morristown	WL extension - ETPC	\$ 3,900,000	Mar-10	Jul-10	Feb-12	Mar-12	3.23%	20 yr	FNSI

DWSRF Loan Program ARRA Intended Use Plan for FY 2009

Rank	Priority Points	PWSID#-TN...	Pop.	Local Government / Utility District (UD)	Project Description	Priority List Amount	Bind. Commit.	Constr Start	Init. of Oper.	Constr End	Interest Rate **	Repay Period	Environ. Review
221	40	24	13,220	Athens	New 2.0 MG Water Tank on State Route 30, water transmission lines, water distribution lines, and pump station	\$ 3,100,000	Mar-10	Sep-10	Dec-11	Jan-12	3.23%	20 yr	FNSI
222	40	393	20,235	Lebanon	Phase II, Water main Rehab/Replace	\$ 380,000	Mar-10	Sep-10	Jan-12	Feb-12	3.23%	20 yr	FNSI
223	40	393	20,235	Lebanon	Phase III, Water main Rehab/Replace	\$ 450,000	Mar-10	Oct-10	Mar-12	Apr-12	3.23%	20 yr	FNSI
224	40	424	47,953	Madison Suburban UD	Green project - WTP improvements - Sustainable Practices	\$ 1,100,000	Mar-10	Oct-10	Nov-12	Dec-12	3.23%	20 yr	FNSI
225	40	393	20,235	Lebanon	Franklin Rd/Holloway Dr Water Transmission Main Connection	\$ 700,000	Apr-10	Nov-10	Mar-12	Apr-12	3.23%	20 yr	FNSI
226	40	393	20,235	Lebanon	Phase IV, Water main Rehab/Replace	\$ 400,000	Apr-10	Dec-10	Apr-12	May-12	3.23%	20 yr	FNSI
227	40	474	24,965	Morristown	Water tank and PS - East Industrial Park System	\$ 2,000,000	Apr-10	Dec-10	Jun-12	Jul-12	3.23%	20 yr	FNSI
228	40	393	20,235	Lebanon	S. Hartmann Dr. Water Transmission Main and Water Storage Tank	\$ 2,500,000	Apr-10	Dec-10	Oct-12	Nov-12	3.23%	20 yr	FNSI
229	40	396	6,214	Lenoir City +	Raw Water Intake	\$ 1,500,000	Apr-10	Dec-10	Apr-12	May-12	3.23%	20 yr	FNSI
230	40	396	6,214	Lenoir City +	Water tank and WL extensions - Master Plan Phase II	\$ 2,315,000	Sep-10	Jan-11	Dec-12	Jan-13	3.23%	20 yr	FNSI
231	40	474	24,965	Morristown	WL replacement-West 1st North	\$ 1,000,000	Sep-10	Jan-11	Jul-12	Aug-12	3.23%	20 yr	FNSI
232	40	474	24,965	Morristown	WL extension-Jackson St Main	\$ 2,700,000	Sep-10	Jan-11	Oct-12	Nov-12	3.23%	20 yr	FNSI
233	40	474	24,965	Morristown	New water tank and Waterline extensions-Lowlands area	\$ 5,000,000	Sep-10	Feb-11	Aug-12	Sep-12	3.23%	20 yr	FNSI

DWSRF Loan Program ARRA Intended Use Plan for FY 2009

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234	40	246	41,842	Franklin	Sneed Road Vault Improvements	\$ 150,000	Sep-10	Apr-11	May-12	Jun-12	3.64%	20 yr	CE
235	40	246	41,842	Franklin	Boyd Mill Pike Water Distribution Main	\$ 300,000	Sep-10	May-11	Sep-12	Oct-12	3.64%	20 yr	FNSI
236	40	246	41,842	Franklin	Southeast Water Distribution System Improvements	\$ 1,750,000	Jan-11	May-11	Apr-12	May-12	3.64%	20 yr	FNSI
237	40	246	41,842	Franklin	Third Ave. WL Replacement / Upgrade from Main St to Bridge Street	\$ 55,000	Jan-11	May-11	Aug-11	Sep-12	3.64%	20 yr	FNSI
238	40	7	7,734	Alcoa +	PS rehab - Peral Dr	\$ 100,000	Jan-11	May-11	May-12	Jun-12	3.64%	20 yr	CE
239	40	7	7,734	Alcoa +	WL replacement - Springbrook	\$ 238,070	Jan-11	Jun-11	Nov-12	Dec-12	3.64%	20 yr	FNSI
240	40	7	7,734	Alcoa +	WL expansion / replacement - Willwood / Rockford Area	\$ 1,005,090	Jan-11	Jun-11	Jun-12	Jul-12	3.64%	20 yr	FNSI
241	40	7	7,734	Alcoa +	WTP upgrade - emergency generator	\$ 1,200,000	Jan-11	Jun-11	Sep-12	Oct-12	3.64%	20 yr	FNSI
242	40	7	7,734	Alcoa +	WL extension - Airport	\$ 530,000	Jan-11	Jun-11	Nov-12	Dec-12	3.64%	20 yr	FNSI
243	40	246	41,842	Franklin	Carter Street Area Water System Rehab	\$ 300,000	Mar-11	Jul-11	Sep-12	Oct-12	3.64%	20 yr	FNSI
244	40	246	41,842	Franklin	Hillsboro Rd Water Line Relocation	\$ 2,000,000	Mar-11	Jul-11	May-12	Jun-12	3.64%	20 yr	FNSI
245	20	122	3,100	Big Creek UD * # +	Green project - Meter replacement	\$ 563,680	Mar-11	Jul-11	May-12	Jun-12	0.00%	20 yr	FNSI
246	20	581	27,101	Lauderdale County	New WTP near Orysa Community	\$ 5,000,000	Mar-11	Sep-11	Jul-12	Aug-12	0.40%	20 yr	FNSI
247	20	485	781	Cold Springs Utility District +	Tank rehab, new water source, waterline extension, PS upgrades, WTP upgrades - filters, etc.	\$ 750,000	Jan-11	Jun-11	May-12	Jun-12	1.21%	20 yr	FNSI
248	20	440	1,089	Mason +	New water tank and Waterline extensions	\$ 1,500,000	Jan-11	Jul-11	Nov-12	Dec-12	1.21%	20 yr	FNSI

DWSRF Loan Program ARRA Intended Use Plan for FY 2009

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249	20	8	814	Alexandria +	Water Source Development and Transmission Main	\$ 4,000,000	Jun-11	Oct-11	Feb-13	Mar-13	1.21%	20 yr	FNSI
250	20	279	2,311	Halls +	New Water tank	\$ 1,700,000	Jun-11	Oct-11	Feb-13	Mar-13	1.21%	20 yr	FNSI
251	20	88	903	Byrdstown +	2 Water Tanks and water transmission main	\$ 2,700,000	Jun-11	Oct-11	Feb-13	Mar-13	1.62%	20 yr	FNSI
252	20	562	437	City of Minor Hill +	Water Source Study	\$ 50,000	Dec-10	Mar-11	Apr-13	May-13	1.62%	20 yr	CE
253	20	580	7,844	Ripley +	Green project - New meter reading system	\$ 1,000,000	Jan-11	Jun-11	Sep-13	Oct-13	1.62%	20 yr	CE
254	20	314	9,467	Humboldt +	New Well	\$ 405,000	Apr-11	Aug-11	Nov-13	Dec-13	1.62%	20 yr	FNSI
255	20	80	10,748	Brownsville	New municipal water well	\$ 450,000	Apr-11	Sep-11	Nov-13	Dec-13	1.62%	20 yr	FNSI
256	20	733	4,029	Waverly +	Town Hill Water Tank	\$ 700,000	Jun-11	Oct-11	May-13	Jun-13	1.62%	20 yr	FNSI
257	20	525	73,712	Ocoee UD	Conasauga Water Storage Tank	\$ 700,000	Jun-11	Oct-11	Mar-13	Apr-13	1.62%	20 yr	FNSI
258	20	733	4,029	Waverly +	Duck River WTP backup power generators	\$ 250,000	Jun-11	Oct-11	Nov-13	Dec-13	1.62%	20 yr	CE
259	20	838	1,091	Northwest Henry County UD +	Two projects: (1) Clean and repaint interior and exterior of the Osage water tank and repair the target float and cable system: (2) remove and replace two high service pumps and motors	\$ 172,075	Sep-11	Jan-12	Jul-13	Aug-13	1.62%	20 yr	CE
260	20	33	3,225	Atoka +	Green project - Automated meter reading system	\$ 400,000	Apr-11	Sep-11	Aug-14	Sep-14	1.62%	20 yr	CE
261	20	33	3,225	Atoka +	Water Treatment Plant	\$ 5,000,000	Mar-15	Sep-15	Aug-19	Sep-19	1.62%	20 yr	FNSI
262	20	469	437	Minor Hill Water UD # +	Water tank - new	\$ 900,000	Jan-12	Jun-12	Aug-13	Sep-13	1.62%	20 yr	FNSI

DWSRF Loan Program ARRA Intended Use Plan for FY 2009

Rank	Priority Points	PWSID#-TN...	Pop.	Local Government / Utility District (UD)	Project Description	Priority List Amount	Bind. Commit.	Constr Start	Init. of Oper.	Constr End	Interest Rate **	Repay Period	Environ. Review
263	20	636	7,298	Smith Utility District +	Green project - Water Meter Replacement	\$ 300,000	Jul-09	Dec-09	May-10	Jun-10	1.62%	20 yr	CE
264	20	221	13,372	Elizabethton #	Water tank - new and WL replacement	\$ 4,400,000	Jul-11	Dec-11	Aug-13	Sep-13	2.02%	20 yr	FNSI
265	20	494	569,891	Metro Nashville / Davidson Co #	Pump Station-- Improvements (Powell Ave pump station)	\$ 12,000,000	Jul-11	Dec-11	Aug-13	Sep-13	2.02%	20 yr	FNSI
266	20	287	6,744	Harriman +	750,000-gallon water tank, transmission lines, water line upgrades	\$ 1,750,000	Jan-11	May-11	May-12	Jun-12	2.02%	20 yr	FNSI
267	20	316	4,349	Huntingdon +	WWTP upgrade - new generator	\$ 150,000	Jan-11	May-11	Jun-12	Jul-12	2.02%	20 yr	FNSI
268	20	287	6,744	Harriman * +	Green Project - Remote meter reading system	\$ 1,275,000	Jan-11	May-11	Nov-12	Dec-12	2.02%	20 yr	CE
269	20	371	52,706	West Knox Utility District (Anderson and Knox Counties)	Williams Bend Road Water Intake Screen	\$ 1,000,000	Jan-11	Jun-11	Dec-12	Jan-13	2.02%	20 yr	FNSI
270	20	494	569,891	Metro Nashville / Davidson Co	Brookmont Pump Station	\$ 436,000	Jan-11	Jun-11	Mar-13	Apr-13	2.02%	20 yr	FNSI
271	20	494	569,891	Metro Nashville / Davidson Co	Replacement of Skylights at KR Harrington (08-WC-008)	\$ 400,000	Jan-11	Jun-11	Mar-13	Apr-13	2.02%	20 yr	CE
272	20	56	11,602	Bloomington Water Utility District	100,000 gallon water tank	\$ 250,000	Jan-11	Aug-11	Mar-13	Apr-13	2.02%	20 yr	FNSI
273	20	316	4,349	Huntingdon +	5 new wells and clearing of 400 acres	\$ 2,000,000	Jan-11	Aug-11	Jan-13	Feb-13	2.02%	20 yr	FNSI
274	20	316	4,349	Huntingdon +	New 500,000 gal water tank for South Industrial Part	\$ 1,825,000	Jan-11	Sep-11	Feb-13	Mar-13	2.02%	20 yr	FNSI
275	20	526	3,014	Riceville Utility District +	New Water tank and booster station on SR 39, new Waterlines	\$ 2,340,000	Jan-11	Sep-11	Jun-13	Jul-13	2.02%	20 yr	FNSI

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276	20	590	5,774	Rockwood +	New water tank	\$ 1,000,000	Jun-11	Oct-11	Mar-13	Apr-13	2.02%	20 yr	FNSI
277	20	726	1,162	TASS +	Water Tank - new - Citico Rd	\$ 1,000,000	Jun-11	Oct-11	Mar-13	Apr-13	2.02%	20 yr	FNSI
278	20	726	1,162	TASS +	Water Tank - new - Sweetwater Vonore Rd	\$ 1,000,000	Jun-11	Oct-11	Mar-13	Apr-13	2.02%	20 yr	FNSI
279	20	371	52,706	West Knox Utility District (Anderson and Knox Counties)	Daugherty WTP upgrade and expansion	\$ 20,000,000	Jun-11	Oct-11	May-13	Jun-13	2.02%	20 yr	FNSI
280	20	999	789	Haywood County +	Elevated Water Tank	\$ 664,500	Jun-11	Dec-11	Aug-13	Sep-13	2.02%	20 yr	FNSI
281	20	180	9,853	Chuckey Utility District +	New WTP and intake, etc	\$ 5,000,000	Mar-12	Jun-12	May-13	Jun-13	2.02%	20 yr	FNSI
282	20	373	3,885	Lafayette # +	WTP Expansion from 2.4 MGD to 5.0 MGD	\$ 3,501,000	Mar-12	Jun-12	May-13	Jun-13	2.42%	20 yr	FNSI
283	20	373	3,885	Lafayette # +	1-MG Water Storage Tank on WTP site	\$ 1,983,000	Mar-12	Jun-12	May-13	Jun-13	2.42%	20 yr	FNSI
284	20	392	10,796	Lawrenceburg	WTP upgrade - with membrane filtration	\$ 10,400,000	Apr-11	Sep-11	Oct-13	Nov-13	2.42%	20 yr	CE
285	20	392	10,796	Lawrenceburg	WTP upgrade to membrane filtration and expansion to 5.2 MGD with an 8 MGD ultimate treatment capacity	\$ 10,400,000	Apr-11	Sep-11	Oct-13	Nov-13	2.42%	20 yr	CE
286	20	294	40,587	Hendersonville Utility District	1.5 MG Water Storage Tank at the Villages of Indian Lake	\$ 2,500,000	Apr-11	Oct-11	Jul-13	Aug-13	2.42%	20 yr	FNSI
287	20	392	10,796	Lawrenceburg	WTP improvement - Telemetry system	\$ 750,000	Apr-11	Oct-11	May-13	Jun-13	2.42%	20 yr	CE
288	20	392	10,796	Lawrenceburg	Water tank replacment or demolition	\$ 150,000	Apr-11	Nov-11	Jun-13	Jul-13	2.42%	20 yr	FNSI
289	20	253	23,320	Gallatin	Industrial Park Water Tank	\$ 1,050,000	Apr-11	Dec-11	Nov-13	Dec-13	2.42%	20 yr	FNSI

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290	20	294	40,587	Hendersonville Utility District	WTP expansion to 10.0 MGD and transmission main	\$ 18,000,000	Sep-11	Feb-12	Aug-14	Sep-14	2.42%	20 yr	CE
291	20	392	10,796	Lawrenceburg	Water tank - new	\$ 590,000	Sep-11	Apr-12	Dec-13	Jan-14	2.42%	20 yr	FNSI
292	20	667	7,715	Spring Hill # +	New 1.5 MG Northside Ground Level Water Storage Tank	\$ 1,000,000	Sep-11	Apr-12	Dec-13	Jan-14	2.42%	20 yr	FNSI
293	20	667	7,715	Spring Hill # +	New Southside 1.0 MG Elevated Water Storage Tank	\$ 1,250,000	Sep-11	Apr-12	Dec-13	Jan-14	2.42%	20 yr	FNSI
294	20	667	7,715	Spring Hill # +	WTP Expansion (6.0 MGD to 12.0 MGD) and transmission line upgrade	\$ 12,000,000	Sep-11	Apr-12	Dec-13	Jan-14	2.42%	20 yr	FNSI
295	20	280	63,765	Hallsdale Powell UD	Water storage Tank new -Norris Freeway and Raccoon Valley Area	\$ 1,000,000	Jan-11	Mar-12	May-12	Jun-12	2.83%	20 yr	FNSI
296	20	280	63,765	Hallsdale Powell UD	Water storage tank - new Crippen Gap and Maynardville Hwy area	\$ 1,000,000	Jan-11	Mar-12	May-12	Jun-12	2.83%	20 yr	FNSI
297	20	280	63,765	Hallsdale Powell UD	Green Project - 2008 Water Meter Changeover	\$ 325,000	Jan-11	Mar-11	May-12	Jun-12	2.83%	20 yr	CE
298	20	280	63,765	Hallsdale Powell UD	Green project - 2009 Water Meter Changeover	\$ 1,500,000	Jan-11	Mar-11	May-12	Jun-12	2.83%	20 yr	CE
299	20	280	63,765	Hallsdale Powell UD	Water Storage Tank - new - Brown Gap Rd	\$ 750,000	Jan-11	Mar-11	May-12	Jun-12	2.83%	20 yr	FNSI
300	20	280	63,765	Hallsdale Powell UD	Green - Purchase Automatic Radio Meters	\$ 1,000,000	Jan-10	Mar-11	Feb-12	Mar-12	2.83%	20 yr	CE
301	20	369	72,897	First Utility District of Knox County	Green project - Water Meter Replacement	\$ 2,700,000	Jan-10	Apr-10	Jan-12	Feb-12	2.83%	20 yr	CE

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302	20	369	72,897	First Utility District of Knox County	Water Tank replacement -Triplett Lane	\$ 725,000	Mar-11	Jun-11	Oct-12	Nov-12	2.83%	20 yr	FNSI
303	20	331	55,469	Johnson City	Standby Power - SOF Booster Station	\$ 250,000	Mar-12	Jun-11	Sep-12	Oct-12	2.83%	20 yr	CE
304	20	532	36,151	Oneida	Green project - Automated meter reading system and SCADA system	\$ 1,250,000	Mar-12	Aug-11	Jan-12	Feb-12	2.83%	20 yr	CE
305	20	117	37,192	Cleveland	Water tank and PS adjacent to Georgetown Rd in west Bradley County	\$ 600,000	Mar-12	Sep-11	Feb-12	Mar-12	2.83%	20 yr	FNSI
306	20	331	55,469	Johnson City	WTP upgrade Watauga WTP	\$ 4,000,000	Apr-12	Nov-11	Apr-12	May-12	2.83%	20 yr	CE
307	20	331	55,469	Johnson City	Tannery Knob Storage Tank Replacement	\$ 1,500,000	Apr-12	Dec-12	Nov-13	Dec-13	2.83%	20 yr	FNSI
308	20	515	17,550	Northeast Knox UD	WTP expansion	\$ 1,600,000	Jan-12	May-12	Apr-13	May-13	2.83%	20 yr	CE
309	20	349	41,414	Kingsport	WTP improvements - residuals management, etc.	\$ 2,000,000	Jan-12	May-12	Apr-13	Mar-13	3.23%	20 yr	CE
310	20	474	24,965	Morristown	Green project - Auto-read Meter Installation	\$ 2,000,000	Jun-09	Oct-09	Dec-10	Jan-12	3.23%	20 yr	CE
311	20	396	6,214	Lenoir City +	WTP expansion	\$ 10,000,000	Jan-12	May-11	Apr-15	May-15	3.23%	20 yr	CE
312	20	396	6,214	Lenoir City +	Fire hydrant replacement - Master Plan Phase III	\$ 600,000	Mar-12	Sep-12	Nov-13	Dec-12	3.23%	20 yr	CE
313	20	7	7,734	Alcoa +	Water tank - new to replace Overlook standpipe	\$ 3,020,000	Mar-12	May-12	Jan-13	Feb-13	3.64%	20 yr	FNSI
314	20	7	7,734	Alcoa +	WL extension / replacement -Sam Houston School Rd	\$ 66,300	Mar-12	May-12	May-14	Jun-14	3.64%	20 yr	FNSI

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315	20	7	7,734	Alcoa +	WL extension-Bessemer Rd, SE Water System Loop-Transmission Line	\$ 37,500	Mar-12	May-12	Jun-14	Jul-14	3.64%	20 yr	FNSI
316	20	7	7,734	Alcoa +	WL extension - Middlesettlements Rd, Northwest Loop - transmission lines	\$ 117,900	Mar-12	Jun-12	Aug-14	Sep-14	3.64%	20 yr	FNSI
317	20	256	3,382	Gatlinburg +	New Water tank and booster station on SR 39, new Waterlines	\$ 1,500,000	Mar-12	Jul-12	Dec-13	Jan-14	4.04%	20 yr	FNSI

* To be funded with ARRA/Capitalization Grant

Carryforward from FY 2008 Priority Ranking List

+ Small water systems serving less than 10,000 population

** % based on market rate of 5.05% dated March 16, 2009

STATE OF TENNESSEE

PRIORITY POINTS FOR DRINKING WATER STATE REVOLVING FUND PROJECTS

1. Water Quality Problems
 - 100 Points - Disease outbreak or acute health risk
 - 80 Points - Chronic water quality problems
 - 60 Points - Potential water quality problems
 - 40 Points - Operational problems
 - 20 Points - Other
2. Source or Plant Capacity
 - 80 Points - Water shortage or rationing
 - 60 Points - 80% capacity rule
 - 40 Points - Exceeding capacity on peak days
 - 20 Points - Projected need within 10 years
3. Water Storage
 - 80 Points - Less than 50% daily demand
 - 60 Points - 50 to 75% daily demand
 - 40 Points - 75 to 100% daily demand
 - 20 Points - 100 to 125% daily demand
4. Leakage Problems
 - 80 Points - 50% or greater water loss
 - 60 Points - 40 to 49% water loss
 - 40 Points - 30 to 39% water loss
 - 20 Points - 20 to 29% water loss
5. Pressure Problems
 - 80 Points - pressure consistently less than 20 psi
 - 60 Points - pressure periodically less than 20 psi
 - 40 Points - pressure occasionally less than 20 psi
 - 20 Points - pressure marginal (20 to 30 psi)
6. Replacement or Rehabilitation Projects
 - 80 Points - essential equipment failure
 - 60 Points - essential equipment deteriorated & near failure
 - 40 Points - non-essential equipment failure
 - 20 Points - non-essential equipment deteriorated
7. Water Line Extensions
 - 100 Points - special acute health problems
 - 80 Points - exceeding drinking water limits or without water
 - 60 Points - nuisance or quantity problems
 - 40 Points - extend public water to private well supplies
 - 40 Points - water line relocations and upgrades

DWSRF Loan Program ARRA Intended Use Plan for FY 2009

DRINKING WATER STATE REVOLVING FUND – PRIORITY POINTS NARRATIVE

Water systems requesting loans for water projects through the DWSRF Loan Program will be assigned priority points based on instructions given in The Safe Drinking Water Act (SDWA). The SDWA instructs states to utilize DWSRF Loan Program funds to address risks to human health, compliance with the Act, and to assist systems most in need on a per household basis. Tennessee has established a priority ranking system, which will comply with the instructions in the SDWA. Priority points will be assigned on a 100-point scale based on the severity of the problem.

The only projects eligible for the maximum of 100 points will be those that address serious, acute risks to human health. Other projects will be assigned 20, 40, 60, or 80 points depending on the severity of the problem and whether a compliance problem exists. Projects requesting funds for ineligible activities such as fire protection, dam construction or future growth will not be assigned priority points. Projects that receive the same priority points will be ranked according to the ability to pay index for each community. This will satisfy the SDWA requirement to assist systems most in need on a per household basis. Seven categories of projects have been established which encompass all types of water system projects.

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DWSRF Loan Program ARRA Intended Use Plan for FY 2009

Attachment 3

DWSRF LOAN PROGRAM BINDING COMMITMENT SCHEDULE

<u>QUARTER</u>		<u>AMOUNT</u>
April 1, 2009	- June 30, 2009	\$ 5,000,000
July 1, 2009	- September 30, 2009	\$ 7,500,000
October 1, 2009	- December 31, 2009	\$ 5,000,000
January 1, 2010	- February 17, 2010	\$ 2,738,000
TOTAL		<u>\$ 20,238,000</u>

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**DWSRF LOAN PROGRAM QUARTERLY
AUTOMATED STANDARD APPLICATION for PAYMENTS (ASAP)**

(Quarters are based on Federal fiscal year)

<u>FY 2009</u>	<u>Amount</u>
Qt 3	\$ 5,000,000
Qt 4	\$ 5,000,000

<u>FY 2010</u>	<u>Amount</u>
Qt 1	\$ 2,500,000
Qt 2	\$ 2,500,000
Qt 3	\$ 1,500,000
Qt 4	\$ 1,500,000

<u>FY 2011</u>	<u>Amount</u>
Qt 1	\$ 1,200,000
Qt 2	\$ 1,038,000

TOTAL	\$ 20,238,000
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DWSRF Loan Program ARRA Intended Use Plan for FY 2009

Attachment 5

DWSRF LOAN PROGRAM QUARTERLY DISBURSEMENTS

(Quarters are based on Federal fiscal year)

<u>FY 2009</u>	<u>Amount</u>
Qt 4	\$ 5,000,000

<u>FY 2010</u>	<u>Amount</u>
Qt 1	\$ 2,500,000
Qt 2	\$ 2,500,000
Qt 3	\$ 2,500,000
Qt 4	\$ 2,500,000

<u>FY 2011</u>	<u>Amount</u>
Qt 1	\$ 1,500,000
Qt 2	\$ 1,500,000
Qt 3	\$ 1,238,000
Qt 4	\$ 1,000,000

TOTAL	\$ 20,238,000
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STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION
State Revolving Fund Loan Program
L&C Tower, 8th Floor
401 Church Street
Nashville, TN 37243

February 24, 2009

PUBLIC NOTICE

TO ALL POTENTIAL STATE REVOLVING FUND LOAN APPLICANTS AND INTERESTED PARTIES

The Tennessee Department of Environment and Conservation (TDEC) will conduct public meetings on **Friday March 20, 2009**, to present the fiscal year (FY) 2009 Intended Use Plans (IUPs) for the Drinking Water State Revolving Fund (DWSRF) and Clean Water State Revolving Fund (CWSRF) capitalization grants from the American Recovery and Reinvestment Act of 2009 (ARRA) and to receive comments from the public. The meetings will be held in **Conference Room A, 17th Floor, L & C Tower, 401 Church Street, Nashville, Tennessee**, at **10:00 a.m. (CWSRF) and 1:00 p.m. (DWSRF), CDT.**

IUPs serve as the planning documents for the state's intended use of the ARRA's federal appropriations for the DWSRF and CWSRF. IUPs include the Priority Ranking Lists of eligible water and sewer projects and explanations of the intended uses of the set-asides for non-project activities, DWSRF and CWSRF Loan Program goals, and the criteria and methods used for distributing funds. The draft IUPs will become final after a 10-day post-public meeting comment period.

ARRA DRINKING WATER STATE REVOLVING FUND LOAN PROGRAM:

TDEC is currently applying for the FY2009 Environmental Protection Agency (EPA) Capitalization Grant from the ARRA for the DWSRF Loan Program. The FY 2009 EPA ARRA DWSRF grant allotment to Tennessee is approximately \$20,400,000.

ARRA CLEAN WATER STATE REVOLVING FUND LOAN PROGRAM:

TDEC is currently applying for the FY 2009 EPA Capitalization Grant from the ARRA for the CWSRF Loan Program. The FY 2009 EPA ARRA CWSRF grant allotment to Tennessee is approximately \$57,000,000,

If you are unable to attend the meeting but would like to review either or both of the IUPs, please contact Dale Hager at (615) 532-0457. All comments must be received in the State Revolving

DWSRF Loan Program ARRA Intended Use Plan for FY 2009

Fund Loan Program's office no later than April 3, 2009. Comments may be mailed to Mr. Hager at the letterhead address above, submitted via e-mail to dale.hager@state.tn.us, or sent to Mr. Hager at facsimile number (615) 532-0199.

Individuals with disabilities who wish to participate in these proceedings or to review these filings should contact the Tennessee Department of Environment and Conservation to discuss any auxiliary aids or services needed to facilitate such participation. Such contact may be in person or by writing, telephoning, or other means and should be made no less than 10 days prior to the scheduled meeting date (date such party intends to review such filings) to allow time to provide such aid or services. To make these arrangements, contact the Tennessee Department of Environment and Conservation, ADA Coordinator Beverly Evans, L&C Tower, 12th Floor, 401 Church Street, Nashville, Tennessee 37243, (615) 532-0207. Hearing impaired callers may use the Tennessee Relay Service (1-800-848-0298).

If you want to obtain the current SRF loan interest rate for your City, Utility District, or Water/Wastewater Authority or if you have any questions regarding the SRF Loan Program, the Priority Ranking Lists, or the eligibility of certain projects, please contact Sam Gaddipati—(615) 532-0445, sam.gaddipati@state.tn.us or Emily Kelly—(615) 532-0019, emily.kelly@state.tn.us.

If you want to schedule a Pre-application Meeting for your City, Utility District, or Water/Wastewater Authority, please contact Ron Reddout — (615) 532-0498, ronald.reddout@state.tn.us.

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